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LOUISIANA STATE BOARD OF CHIROPRACTIC EXAMINERS STATE OF LOUISIANA

Financial Statements with Supplementary Information

June 30, 2010

(With Accountants' Review Report Thereon)

LOUISIANA STATE BOARD OF CHIROPRACTIC EXAMINERS
STATE OF LOUSIANA

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GRIFFIN & COMPANY, LLC
CERTIFIED PUBLIC ACCOUNTANTS

Stephen M. Griffin, CPA
Robert J. Furman, CPA

Accountants' Review Report

Board of Directors
Louisiana State Board of Chiropractic Examiners
State of Louisiana
Baton Rouge, Louisiana

We have reviewed the accompanying basic financial statements of the governmental-type activities of the Louisiana State Board of Chiropractic Examiners, a component unit of the State of Louisiana, as of June 30, 2010, as listed in the table of contents, in accordance with *Statements on Standards for Accounting and Review Services* issued by the American Institute of Certified Public Accountants and applicable standards of *Governmental Auditing Standards* issued by the Comptroller General of the United States of America. All information included in these basic financial statements is the representation of the management of the Louisiana State Board of Chiropractic Examiners.

A review consists principally of inquiries of Company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

In accordance with the Louisiana Governmental Audit Guide and the provisions of state law, we have issued a report, dated August 9, 2010, on the results of our agreed upon procedures.

Our review was made for the purpose of expressing limited assurance that there are no material modifications that should be made to the financial statements in order for them to be in conformity with generally accepted accounting principles. The management discussion and analysis on pages 2 through 5 are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. Additionally, the supplementary information described in the table of contents is presented only for supplementary analysis purposes. All supplementary information has been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements, and we are not aware of any material modifications that should be made thereto.

Griffin & Company, LLC

August 9, 2010

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LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS
STATE OF LOUISIANA

Management's Discussion & Analysis

June 30, 2010

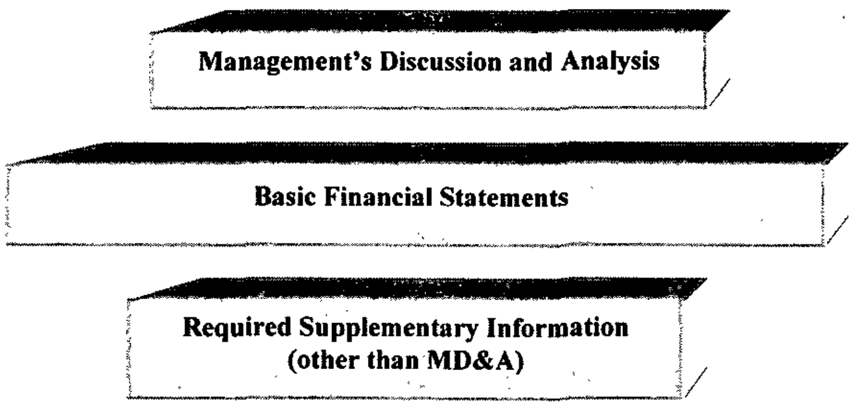
The Management's Discussion and Analysis of the Louisiana Board of Chiropractic Examiners' (the "Board") financial performance presents a narrative overview and analysis of the Board's financial activities for the twelve months ending June 30, 2010. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information. Please read this document in conjunction with the additional information contained in the Board's financial statements.

Financial Highlights

- The Board's assets exceeded its liabilities at the close of fiscal year 2010 by $152,092. This represents a decrease to net assets of $25,466 or 14.34% compared to prior year.
- The Board's revenue went from $225,139 to $223,124 for a decrease of $2,015 or 0.90%. Net results from activities decreased from loss of $3,563 to a loss of $30,020 for a decrease of $26,457 or 742.55%. This is primarily due to an increase in the Board's liability for other post employment benefits.

Overview of the Financial Statements

The following graphic illustrates the minimum requirements for Special Purpose Governments Engaged in Business-Type Activities established by Governmental Accounting Standards Board Statement 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments.*



These financial statements consist of three sections - Management's Discussion and Analysis (this section), the Basic Financial Statements (including the notes to the financial statements), and Required Supplementary Information.

Basic Financial Statements

The basic financial statements present information for the Board as a whole, in a format designed to make the statements easier for the reader to understand. The statements in this section include the Statement of Net Assets and the Statement of Activities and Statement of Cash Flow.

The Statement of Net Assets presents the assets and liabilities separately. The difference between total assets and total liabilities is net assets and may provide a useful indicator of whether the financial position of the Board is improving or deteriorating.

The Statement of Revenues, Expenses, & Changes in Fund Net Assets presents information showing how the Board's assets changed as a result of current year operations. Regardless of when cash is affected, all changes in net assets are reported when the underlying transactions occur. As a result, there are transactions included that will not affect cash until future fiscal periods.

The Statement of Cash Flows presents information showing how the Board's cash changed as a result of current year operations. The cash flow statement is prepared using the direct method and includes the reconciliation of operating income(loss) to net cash provided(used) by operating activities (indirect method) as required by GASB 34.

Financial Analysis of the Entity

Statement of Net Assets
As of June 30, 2010
(in thousands)

Current and other assets	$ 263
Capital assets	2
Total assets	265
Other liabilities	113
Long-term debt outstanding	-
Total liabilities	113
Net assets:	
Invested in capital assets, net of debt	2
Unrestricted	150
Total net assets	$ 152

Unrestricted net assets are those that do not have any limitations on how these amounts may be spent.

Net assets of the Board decreased by $25,466 or 14.34%, from June 30, 2009 to June 30, 2010.

Statement of Revenues, Expenses, & Changes in Net Fund Assets
For the twelve months ending June 30, 2010
(in thousands)

Operating revenues	$ 219
Operating expenses	(249)
Operating loss	(30)
Non-operating revenues	5
Non-operating expenses	-
Net decrease net assets	$ (25)

The Board's total revenues decreased by $2,015 or 0.90%. The total cost of all programs and services increased by $26,249 or 11.81%.

Capital Asset and Debt Administration

Capital Assets

At the end of 2010, the Board had $2,522 invested in capital assets, including furniture and equipment. This amount represents a net increase (including additions and deductions) of $1,097, or 76.98%, over last year.

There were no major additions this fiscal year.

Debt

The Louisiana Board of Chiropractic Examiners has obligations for compensated absences payable of $25,665. The obligations increased from $19,132 for an increase of $6,553 or 34.15%.

The Louisiana Board of Chiropractic Examiners has obligations for other post employment retirement benefits of $74,044. The obligations increased from $48,044 for an increase of $26,000 or 54.12%.

The Board had no bonds and notes outstanding at June 30, 2010.

There was no debt issued from July 1, 2009 to June 30, 2010.

Variations Between Actual and Budget Amounts

Revenues were $527 under budget and expenditures were $10,271 over budget. The overage in expense primarily was due to an increase of staffing compared to prior year and increases in salaries.

Economic Factors and Next Year's Budget

The Board's officials considered the following factors and indicators when approving next year's budget:

- Revenues from license renewals remaining constant
- Continued efforts on maintaining and controlling operating costs

Contacting the Board's Management

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Board's finances and to show the Board's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Patricia Oliver at 225-765-2322.

LOUISIANA BOARD OF CHIROPRACTIC EXMAINERS
STATE OF LOUISIANA

Statement of Net Assets

June 30, 2010

(See Accountants' Review Report)

Assets

Cash & cash equivalents	$	76,691		
Certificates of deposit		183,553		
Interest receivable		2,748		
Capital assets		2,522		
			$	265,514

Liabilities & Net Assets

Liabilities:				
Accounts payable & accrued expenses	$	13,713		
Compensated absences payable		25,665		
Other post employment benefits payable		74,044		
Total liabilities				113,422
Net Assets:				
Investment in capital assets		2,522		
Unrestricted		149,570		
Total net assets				152,092
Total liabilities & net assets			$	265,514

See accompanying notes to the financial statements.

LOUISIANA BOARD OF CHIROPRACTIC EXMAINERS
STATE OF LOUISIANA

Statement of Revenues, Expenses, & Changes in Fund Net Assets

For the Year Ended June 30, 2010

(See Accountants' Review Report)

Operating Revenues:		
Licenses, permits, & fees		$ 218,570
Operating Expenses:		
Personnel services	$ 167,758	
Travel	10,561	
Operating services	51,334	
Repairs	1,765	
Professional services	10,332	
Depreciation	1,688	
Other expenses	5,152	
Total operating expenses		248,590
Operating loss		(30,020)
Non-Operating Revenues (Expenses):		
Use of money	4,554	
Total non-operating revenues (expenses)		4,554
Decrease in net assets		(25,466)
Net assets, beginning of year		177,558
Net assets, end of year		$ 152,092

See accompanying notes to the financial statements.

LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS
STATE OF LOUISIANA

Statement of Cash Flows

For the Year Ended June 30, 2010

(See Accountants' Review Report)

Cash flows from operating activities:		
Cash received from customers	$ 218,570	
Cash payments to suppliers for goods and services	(77,956)	
Cash payments to employees for services	(129,051)	
Net cash provided by operating activities		11,563
Cash flows from investing activities:		
Purchase of certificates of deposit	(183,553)	
Proceeds from maturing certificates of deposit	177,266	
Interest earned on certificates of deposit	6,289	
Purchase of capital assets	(2,785)	
Net cash used by investing activities		(2,783)
Net increase in cash		8,780
Cash and cash equivalents - beginning of year		67,911
Cash and cash equivalents - end of year		$ 76,691

Reconciliation of operating loss to net cash provided by operating activities:		
Operating loss		$ (30,020)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation	$ 1,688	
Changes in assets and liabilities:		
Accounts payable & accrued expenses	7,362	
Compensated absences payable	6,533	
Other post employment benefits payable	26,000	
Total adjustments		41,583
Net cash provided by operating activites		$ 11,563

See accompanying notes to the financial statements.

(1) Summary of Significant Accounting Policies

(a) Introduction

The Louisiana Board of Chiropractic Examiners is a component unit of the State of Louisiana created under the provisions of Louisiana Revised Statute 36:259 within the Department of Health and Hospitals, and is domiciled in East Baton Rouge Parish. The Board consists of seven members appointed by the Governor. The Board is charged with the responsibility of regulating the practice of chiropractic activities within the State of Louisiana. Operations of the Board are funded through self-generated revenues.

(b) Basis of Presentation

The accompanying general purpose financial statements of the Board have been prepared in conformity with accounting principles generally accepted in the United States as applied to governmental units. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

These financial statements were prepared in accordance with GASB Statement 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting.* All activities of the Board are accounted for within a single proprietary (enterprise) fund. This fund type is used to report any activity for which a fee is charged to external users for goods and services. In addition, these financial statements include the provisions of GASB State Number 34, *Basic Financial Statement – Management's Discussion and Analysis – for State and Local Governments* and related standards.

(c) Reporting Entity

GASB Codification Section 2100 has defined the governmental reporting entity to be the State of Louisiana. The Board is considered a component unit of the State of Louisiana because the state exercises oversight responsibility in that the Governor appoints the board members and public service is rendered within the state's boundaries. The accompanying financial statements present only transactions of the Board of Chiropractic Examiners. Annually, the State of Louisiana issues basic financial statements, which include activity contained in the accompanying financial statements.

(d) Basis of Accounting

Basis of accounting refers to when revenues and expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

(1) Summary of Significant Accounting Policies, Continued

(d) Basis of Accounting, Continued

The Board uses the following practices in recording revenues and expenses:

Revenues

Revenues are recognized using the full accrual basis of accounting; therefore, revenues are recognized in the accounting period in which they are earned and become measurable. Operating revenues consist of all revenues except investment income and gains on the disposal of equipment.

Expenses

Expenses are recognized on the accrual basis; therefore, expenses, including salaries, are recognized in the period incurred, if measurable. Operating expenses consist of all expenses except investment expenses and losses on the disposal of equipment.

(e) Budget Practices

GASB Codification Section 2100 has defined the governmental reporting entity to be the State of Louisiana. Annually, the Board adopts a budget as prescribed by Louisiana Revised Statute 39:1331-1342. The budget for the fiscal year ended June 30, 2010 was adopted January 29, 2009 and is prepared on the modified accrual basis of accounting. Although budget amounts lapse a year-end, the Board retains its unexpended net assets to fund expenditures of the succeeding year. There were no amendments made during the year.

(f) Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits and certificate of deposits with a maturity of three months or less when purchased. Under State law, the Board may deposit funds in a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. Furthermore, the Board may invest in certificates of deposit of State banks organized under Louisiana law and national banks having their principal offices in Louisiana.

(g) Capital Assets

Capital assets are recorded at cost, if purchased or constructed. Assets acquired through contributions are capitalized at their estimate fair value, if available, or at estimated fair value or cost to construct at the date of the contribution. Furniture and equipment includes all items valued over $500. Assets are depreciated using the straight-line method over the useful lives of the assets.

(1) Summary of Significant Accounting Policies, Continued

(h) Compensated Absences

Employees earn and accumulate annual and sick leave at various rates depending on their year of service. The amount of annual and sick leave that may be accumulated by each employee is unlimited. . Upon termination, employees or their heirs are compensated for up to 360 hours of unused annual leave at the employee's hourly rate of pay at the time of termination. Upon retirement, unused annual leave in excess of 360 hours plus unused sick leave is used to compute retirement benefits. Compensated absences are computed in accordance with GASB Codification Section C60.105 and are recognized as an expense and liability in the financial statements when incurred.

Employees who are considered having non-exempt status according to the guidelines contained in the Fair Labor Standards Act may be paid for compensatory leave earned (K-time). Upon termination or transfer, an employee will be paid for any time and one-half compensatory leave earned and may or may not be paid for any straight hour-for-hour compensatory leave earned. Compensation paid will be based on the employees' hourly rate of pay at termination or transfer. Compensatory leave is computed in accordance with the GASB Codification Section C60.105 and is recognized as an expense and liability in the financial statements when incurred.

(i) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

(2) Cash

At June 30, 2010, the Board has cash deposits (book balances) totaling $76,691. Deposits in bank accounts are stated at cost, which approximates market. Under State law, these deposits (or the resulting bank balances), must be secured by Federal deposit insurance or similar Federal security or the pledge of securities owned by the fiscal agents banks. The fair value of the pledged securities plus the Federal security must at all times equal the amount on deposit with the fiscal agents. At June 30, 2010, the Board has $77,357 in deposits (collected bank balances) which was entirely insured or collateralized with securities held by the Board or its agent in the Board's name.

(3) Capital Assets

The following is a summary of changes in capital assets during the period from July 1, 2009 to June 30, 2010:

	Balance July 1, 2009	Additions	Deletions	Balance June 30, 2010
Equipment	$ 12,248	2,785	-	15,033
Less Accumulated Depreciation	(10,823)	(1,688)		(12,511)
Capital Assets, Net	$ 1,425	1,097	-	2,522

Depreciation expense for the year ended June 30, 2010 was $1,688.

(4) Retirement System

Substantially all of the employees of the Board are members of the Louisiana State Employees Retirement System (LASERS), a single employer defined benefit pension plan. The System is a statewide public employee retirement system (PERS) for the benefit of state employees, which is administered and controlled by a separate board of trustees.

All full-time Board employees are eligible to participate in the System unless they elect to continue as a contributing member in any other retirement system for which they remain eligible for membership. Certain elected officials and officials appointed by the governor may, at their option, become members of LASERS. Normal benefits vest with 10 years of service. Generally, retirement age employees are entitled to annual benefits equal to $300 plus 2.5% of their highest consecutive 36 months' average salary multiplied by their years of credited service except for members eligible to begin participation in the Defined Benefit Plan (DBP) on or after July 1, 2006. Act 75 of the 2005 Regular Session changes retirement eligibility and final average compensation for members who are eligible to begin participation in the DBP beginning July 1, 2006. Retirement eligibility for these members is limited to age 60, or thereafter, upon attainment of ten years of creditable service. Final average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment.

Vested employees eligible to begin participation in the DBP before July 1, 2006 are entitled to a retirement benefit, payable monthly for life at (a) any age with 30 years of service, (b) age 55 with 25 years of service, or (c) age 60 with 10 years of service. In addition, these vested employees have the option of reduced benefits at any age with 20 years of service. Those hired on or after July 1, 2006, have only a single age option. They cannot retire until age 60 with a minimum of 10 years of service. The System also provides death and disability benefits and deferred benefit options, with qualifications and amounts defined by statute. Benefits are established or amended by state statute. The System issues a publicly available annual financial report that includes financial statements and required supplementary information for the System. For a full description of the LASERS defined benefit plan, please refer to the LASERS 2009 Financial Statements. That report may be obtained by writing to the Louisiana State Employees Retirement System, Post Office Box 44213, Baton Rouge, Louisiana 70804-4213, or by calling (225) 922-0608 or (800) 256-3000.

(4) Retirement System, Continued

Members are required by state statute to contribute with the single largest group ("regular members") contributing 7.5% of gross salary, and the Board is required to contribute at an actuarially determined rate as required by R.S. 11:102. The contribution rate was 18.5%, 20.4%, and 19.1% of annual covered payroll in fiscal years ended June 30, 2010, 2009, and 2008, respectively. The Board's contributions to the System for the years ending June 30, 2010, 2009, and 2008 were $9,913, $11,777, and $11,442, respectively, equal to the required contributions for each year.

(5) Post Retirement Health Care and Life Insurance Benefits

Plan Description. The Board's employees may participate in the Louisiana Board of Chiropractic Examiners' Other Post-employment Benefit Plan (OPEB Plan), an agent multiple-employer defined benefit OPEB Plan (for FY 2010) that provides medical and life insurance to eligible active employees, retirees and their beneficiaries. The Office of Group Benefits administers the plan. LRS 42:801-883 provides the authority to establish and amend benefit provisions of the plan. The Office of Group Benefits does not issue a publicly available financial report of the OPEB Plan; however, it is included in the Louisiana Comprehensive Annual Financial Report (CAFR).

Funding Policy. The contribution requirements of plan members and the Board are established and may be amended by LRS 42:801-883 and are on a pay as you go basis. Employees do not contribute to their post-employment benefits cost until they become retirees and begin receiving those benefits. The retirees contribute to the cost of retiree healthcare based on a service schedule. Contribution amounts vary depending on what healthcare provider is selected from the plan and if the member has Medicare coverage. The Office of Group Benefits offers three standard plans for both active and retired employees: the Preferred Provider Organization (PPO) Plan, the Health Maintenance Organization (HMO) plan, and the United Exclusive Provider Organization (EPO) plan. Retired employees who have Medicare Part A and Part B coverage also have access to five OGB Medicare Advantage plans which includes three HMO plans and two private fee-for-service plans. Administrative costs of the OPEB Plan are financed through the premiums collected for all classes of active and retured plan members. Contribution amount vary depending on which healthcare provider is selected from the plan, years of participation, and if the member has Medicare coverage. The following is a summary of plan provisions:

Plan Provisions. Employees hired before January 1, 2002, pay approximately 25% of the cost of coverage (except single retirees under age 65 pay approximately 25% of the active employee cost). Total annual per capita medical contribution rates for 2009-2010 are shown below. Employees hired on or after January 1, 2002 pay a percentage of the total contribution rate upon retirement based on the following schedule:

Service	Employer Contribution Percentage	Employee Contribution Percentage
Under 10 years	19%	81%
10-14 years	38%	62%
15-19 years	56%	44%
20+ years	75%	25%

(5) Post Retirement Health Care and Life Insurance Benefits, Continued

Total monthly per capita pemium equivalent rates for 2009-1009 are as follows:

	PPO	HMO	EPO
Single Active	$558.64	$536.36	$581.04
Retired without Medicare			
Single	$1,039.28	$997.72	$1,080.80
With Spouse	$1,835.20	$1,761.72	$1,908.56
Retired with 1 Medicare			
Single	$337.96	$324.44	$351.48
With Spouse	$1,248.72	$1,198.68	$1,298.64
Retired with 2 Medicare			
With Spouse	$607.48	$583.16	$631.72

All members who retire on or after July 1, 1997 must have Medicare Parts A and B in order to qualify for the reduced premium rates.

Medicare Supplemental Rates are as follows:

	Retired with 1 Medicare	Retired with 2 Medicare
Humana HMO	$149.00	$298.00
Peoples Health	$142.00	$284.00
Vantage	$165.00	$330.00
Humana FFS	$165.00	$330.00
Secure Horizons Medicare Direct	$198.00	$396.00

OGB also provides eligible retirees Basic Term Life, Basic Plus Supplemental Term Life, Dependent Term Life and Employee Accidental Death and Dismemberment coverage. The total premium is approximately $1 per thousand dollars of coverage of which the employer pays one half of the premium. Maximum coverage is capped at $50,000 with a reduction formula of 25% at age 65 and 50% at age 70, with AD&D coverage ceasing at age 70 for retirees.

Annual OPEB Cost. **The Board's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis, would cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty year. A level percentage of payroll amortization method, open period, was used. The total ARC for the fiscal year beginning July 1, 2009 is $25,900.**

(5) Post Retirement Health Care and Life Insurance Benefits, Continued

The following table shows the components of the Board's net OPEB obligation:

		6/30/10	6/30/09	6/30/08
Net OPEB obligation – beginning of year	$	48,044	24,400	-
Annual required contribution		25,900	23,600	24,400
Interest on Net OPEB Obligation		1,900	976	-
Adjustment to Annual Required Contribution		(1,800)	(932)	-
Annual OPEB cost (expense)		74,044	23,644	24,400
Contributions made (retiree cost)		-	-	-
Net OPEB obligation – end of year	$	74,044	48,044	24,400

Utilizing the pay-as-you-go method, the Board contributed 0% of the annual post-employment benefits cost during 2010.

Funded Status and Funding Progress. **As of June 30, 2010, the Board did not have an OPEB trust. A trust was established with an effective date of July 1, 2009, but was not funded at all, has no assets, and hence has a funded ration of zero. Since the plan was not funded, the entire actuarial accrued liability of $330,900 was unfunded.**

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress presented below as required supplementary information is intended to provide multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Required Supplementary Information
Schedule of Funding Progress

Actuarial valuation date		7/1/2009	7/1/2008	7/1/2007
Actuarial value of assets	a	-	-	-
Actuarial accrued liability (AAL)	b	$ 330,900	357,500	347,500
Unfunded AAL (UAAL)	b-a	$ 330,900	357,500	347,500
Funded ratio	a/b	0%	0%	0%
Covered payroll	c	$ 95,200	62,500	27,016
UAAL as a % of covered payroll	b-a/c	348%	572%	1,286%

For the three valuation periods above, the unfunded actuarial accrued liability is being amortized as a level percentage of payroll over an open amortization period of thirty years.

(5) Post Retirement Health Care and Life Insurance Benefits, Continued

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities consistent with the long-term perspective of the calculations.

In the July 1, 2009 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 4.0% investment rate of return (net of administrative expenses) and initial annual healthcare cost trend rate of 8.5% and 9.6% for pre-Medicare and Medicare eligibles, respectively, scaling down to ultimate rates of 5% per year. The Louisiana Board of Chiropractic Examiners' unfunded actuarial accrued liability is being amortized as a level percentage of payroll over an open amortization period of thirty years.

(6) Long-Term Liabilities

The following is a summary of long-term debt transactions of the entity for the year ended June 30, 2010:

	Balance June 30, 2009	Additions	Reductions	Balance June 30, 2010	Amounts Due Within One Year
Compensated absences	19,132	6,533	-	25,665	-
OPEB payable	48,044	26,000	-	74,044	-
Total long-term liabilities	$ 67,176	32,533	-	99,709	-

(7) Lease Commitments

The Board rents office space under an operating lease. Total rent expense amounted to $28,380 for the year ended June 30, 2010. The following is a schedule of the future minimum lease payments required under this operating lease:

Years Ending	Amount
2011	$ 28,380
2012	28,380
2013	28,380
2014	7,095
	$ 92,235

(8) Evaluation of Subsequent Events

The Board has evaluated subsequent events through August 9, 2010, the date which the financial statements were available to be issued.

LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS
STATE OF LOUISIANA

Schedule of Commissioners' Per Diems

For the Year Ended June 30, 2010

(See Accountants' Review Report)

Name		Amount
Mike Cavanaugh	$	250
Kim Hardy		150
Wynn Harvey		200
Mark Kruse		250
Ned Martello		250
R. Buckey Vanbreemen		200
Joe Zeagler		250
Total		1,550

LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS
STATE OF LOUISIANA
Annual Financial Statements
June 30, 2010

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Schedule Number

STATE OF LOUISIANA
Annual Financial Statements
Fiscal Year Ending June 30, 2010

Louisiana Board of Chiropractic Examiners
8621 Summa Avenue
Baton Rouge, Louisiana 70809

Division of Administration
Office of Statewide Reporting
and Accounting Policy
P. O. Box 94095
Baton Rouge, Louisiana 70804-9095

Physical Address:
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Claiborne Building, 6th Floor, Suite 6-130
Baton Rouge, Louisiana 70802

Legislative Auditor
P. O. Box 94397
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Physical Address:
1600 N. Third Street
Baton Rouge, Louisiana 70802

AFFIDAVIT

Personally came and appeared before the undersigned authority, Patricia A. Oliver, Executive Director of Louisiana Board of Chiropractic Examiners who duly sworn, deposes and says, that the financial statements herewith given present fairly the financial position of Louisiana Board of Chiropractic Examiners at June 30, 2010 and the results of operations for the year then ended in accordance with policies and practices established by the Division of Administration or in accordance with Generally Accepted Accounting Principles as prescribed by the Governmental Accounting Standards Board. Sworn and subscribed before me, this 9th day of August, 2010.

Signature of Agency Official

NOTARY PUBLIC

OFFICIAL SEAL
CINDY L. DELATTE
NOTARY ID # 53065
STATE OF LOUISIANA
PARISH OF EAST FELICIANA
My Commission is for Life

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STATE OF LOUISIANA
LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2010

Management's Discussion and Analysis of the Louisiana Board of Chiropractic Examiners' (the "Board") financial performance presents a narrative overview and analysis of the Louisiana Board of Chiropractic Examiners' financial activities for the year ended June 30, 2010. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information. Please read this document in conjunction with the Louisiana Board of Chiropractic Examiners' financial statements.

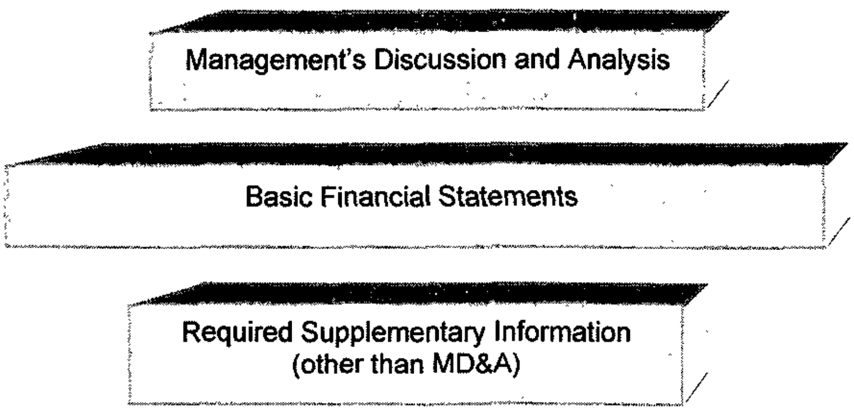
FINANCIAL HIGHLIGHTS

★ The Louisiana Board of Chiropractic Examiners' assets exceeded its liabilities at the close of fiscal year 2010 by $152,092. This represents a decrease to the net assets of $25,466 (or 14.34%) compared to the prior fiscal year.

★ The Board's revenue decreased $2,015 (or 0.9%) and the net results from activities decreased by $26,457 (or 742.55%).

OVERVIEW OF THE FINANCIAL STATEMENTS

The following graphic illustrates the minimum requirements for Special Purpose Governments Engaged in Business-Type Activities established by Governmental Accounting Standards Board Statement 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*.



These financial statements consist of three sections - Management's Discussion and Analysis (this section), the Basic Financial Statements (including the notes to the financial statements), and Required Supplementary Information.

Basic Financial Statements

The basic financial statements present information for the Board as a whole, in a format designed to make the statements easier for the reader to understand. The statements in this section include the Balance Sheet; the Statement of Revenues, Expenses, and Changes in Fund Net Assets; and the Statement of Cash Flows.

The Balance Sheet presents the current and long-term portions of assets and liabilities separately. The difference between total assets and total liabilities is net assets and may provide a useful indicator of whether the financial position of the Board is improving or deteriorating.

The Statement of Revenues, Expenses, and Changes in Fund Net Assets presents information showing how the Board's assets changed as a result of current year operations. Regardless of when cash is affected, all changes in net assets are reported when the underlying transactions occur. As a result, there are transactions included that will not affect cash until future fiscal periods.

The Statement of Cash Flows presents information showing how the Board's cash changed as a result of current year operations. The cash flow statement is prepared using the direct method and includes the reconciliation of operating income(loss) to net cash provided(used) by operating activities (indirect method) as required by GASB 34.

FINANCIAL ANALYSIS OF THE ENTITY

Statement of Net Assets
as of June 30, 2010
(in thousands)

	Total	
	2010	2009
Current and other assets	$ 263	$ 250
Capital assets	2	1
Total assets	265	251
Other liabilities	113	6
Long-term debt outstanding	-	67
Total liabilities	113	73
Net assets:		
Invested in capital assets, net of debt	2	1
Restricted	-	-
Unrestricted	150	176
Total net assets	$ 152	$ 177

Restricted net assets represent those assets that are not available for spending as a result of legislative requirements, donor agreements, or grant requirements. Conversely, unrestricted net assets are those that do not have any limitations on how these amounts may be spent.

Net assets of the Board's decreased by $25,466 or 14.34%, from June 30, 2009 to June 30, 2010. The primary reason is due to the increase in the Board's liability for other post employment benefits.

Statement of Revenues, Expenses, and Changes in Fund Net Assets
for the years ended June 30, 2010
(in thousands)

	Total 2010	Total 2009
Operating revenues	$ 219	$ 219
Operating expenses	249	222
Operating income(loss)	(30)	(3)
Non-operating revenues	5	6
Non-operating expenses *	-	(2)
Income(loss) before transfers	(25)	1
Transfers in	-	-
Transfers out	-	-
Net increase(decrease) in net assets	$ (25)	$ 1

* Enter expenses as a negative amount

The Board's total revenues decreased by $ 2,015 or 0.90%. The total cost of all programs and services decreased by $26,249 or 11.81%.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year ended June 30, 2010, the Board had $2,522 invested in a broad range of capital assets, including furniture and equipment. This amount represents a net increase (including additions and deductions) of $1,097, or 76.98%, over last year.

There were no major additions this fiscal year.

Debt

The Louisiana Board of Chiropractic Examiners has obligations for compensated absences payable of $25,666. The obligations increased from $19,132, for an increase of $6,534 or 34.15%

The Louisiana Board of Chiropractic Examiners has obligations for other post employment retirement benefits of $74,044. The obligations increased from $48,044 for an increase of $26,000 or 54.12%

There was no new debt issued during the year.

VARIATIONS BETWEEN ORIGINAL AND FINAL BUDGETS

Revenues were approximately $527 under budget and expenditures were $10,271 more than budget due in part to an increased level of staffing as compared to prior year and salary increases.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Board's elected and appointed officials considered the following factors and indicators when setting next year's budget, rates, and fees:

- Revenues from license renewals remaining constant
- Continued efforts on maintaining and controlling operating costs

The management of the Louisiana Board of Chiropractic Examiners does not expect any significant changes in next year's results as compared to the current year.

CONTACTING THE BOARD'S MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Board's finances and to show the Board's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Patricia Oliver at 225-765-2322.

STATE OF LOUISIANA
LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS
BALANCE SHEET
AS OF JUNE, 2010

Statement A

ASSETS	
CURRENT ASSETS:	
Cash and cash equivalents	$ 76,691
Restricted Cash and Cash Equivalents	-
Investments - Certificates of Deposit	183,553
Derivative instrument	
Deferred outflow of resources	
Receivables (net of allowance for doubtful accounts)(Note U)	2,748
Due from other funds (Note Y)	-
Due from federal government	-
Inventories	-
Prepayments	-
Notes receivable	-
Other current assets	-
Total current assets	262,992
NONCURRENT ASSETS:	
Restricted assets (Note F):	
Cash	-
Investments	-
Receivables	-
Investments	-
Notes receivable	-
Capital assets, net of depreciation (Note D)	2,522
Land and non-depreciable easements	-
Buildings and improvements	-
Machinery and equipment	-
Infrastructure	-
Intangible assets	
Construction/Development-in-progress	-
Other noncurrent assets	-
Total noncurrent assets	2,522
Total assets	$ 265,514
LIABILITIES	
CURRENT LIABILITIES:	
Accounts payable and accruals (Note V)	$ 13,713
Derivative instrument	-
Deferred inflow of resources	-
Due to other funds (Note Y)	-
Due to federal government	-
Deferred revenues	-
Amounts held in custody for others	-
Other current liabilities	-
Current portion of long-term liabilities: (Note K)	-
Contracts payable	-
Compensated absences payable	-
Capital lease obligations	-
Claims and litigation payable	-
Notes payable	-
Pollution remeditation obligation	-
Bonds payable (include unamortized costs)	-
Other long-term liabilities	
Total current liabilities	13,713
NONCURRENT LIABILITIES: (Note K)	
Contracts payable	
Compensated absences payable	25,665
Capital lease obligations	
Claims and litigation payable	
Notes payable	
Pollution remediation obligation	
Bonds payable (include unamortized costs)	
OPEB payable	74,044
Other long-term liabilities	
Total noncurrent liabilities	99,709
Total liabilities	113,422
NET ASSETS	
Invested in capital assets, net of related debt	2,522
Restricted for:	
Capital projects	
Debt service	
Unemployment compensation	
Other specific purposes	
Unrestricted	149,570
Total net assets	152,092
Total liabilities and net assets	$ 265,514

The accompanying notes are an integral part of this financial statement.

STATE OF LOUISIANA **Statement B**
LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2010

OPERATING REVENUE		
Sales of commodities and services	$	-
Assessments		-
Use of money and property		-
Licenses, permits, and fees		218,570
Other		-
Total operating revenues		218,570
OPERATING EXPENSES		
Cost of sales and services		-
Administrative		246,902
Depreciation		1,688
Amortization		-
Total operating expenses		248,590
Operating income(loss)		(30,020)
NON-OPERATING REVENUES(EXPENSES)		
State appropriations		-
Intergovernmental revenues(expenses)		-
Taxes		-
Use of money and property		4,554
Gain on disposal of fixed assets		-
Loss on disposal of fixed assets		-
Federal grants		-
Interest expense		-
Other revenue		-
Other expense		-
Total non-operating revenues(expenses)		4,554
Income(loss) before contributions, extraordinary items, & transfers		(25,466)
Capital contributions		-
Extraordinary item - Loss on impairment of capital assets		-
Transfers in		-
Transfers out		-
Change in net assets		(25,466)
Total net assets – beginning		177,558
Total net assets – ending	$	152,092

The accompanying notes are an integral part of this financial statement.

STATE OF LOUISIANA **Statement C**
LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2010

See Appendix B for instructions

	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets
Entity	$ 248,590	$ 218,570	$ -	$ -	$ (30,020)

General revenues:	
Taxes	-
State appropriations	-
Grants and contributions not restricted to specific programs	-
Interest	4,554
Miscellaneous	-
Special items	-
Extraordinary item - Loss on impairment of capital assets	-
Transfers	-
Total general revenues, special items, and transfers	4,554
Change in net assets	(25,466)
Net assets - beginning as restated	177,558
Net assets - ending	$ 152,092

The accompanying notes are an integral part of this statement.

STATE OF LOUISIANA
LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2010

Statement D
(continued)

Cash flows from operating activities		
Cash received from customers	$ 218,570	
Cash payments to suppliers for goods and services	(77,956)	
Cash payments to employees for services	(129,051)	
Payments in lieu of taxes	-	
Internal activity-payments to other funds	-	
Claims paid to outsiders	-	
Other operating revenues(expenses)	-	
Net cash provided(used) by operating activities		11,563
Cash flows from non-capital financing activities		
State appropriations	-	
Federal receipts	-	
Federal disbursements	-	
Proceeds from sale of bonds	-	
Principal paid on bonds	-	
Interest paid on bond maturities	-	
Proceeds from issuance of notes payable	-	
Principal paid on notes payable	-	
Interest paid on notes payable	-	
Operating grants received	-	
Transfers in	-	
Transfers out		
Other	-	
Net cash provided(used) by non-capital financing activities		-
Cash flows from capital and related financing activities		
Proceeds from sale of bonds		
Principal paid on bonds	-	
Interest paid on bond maturities	-	
Proceeds from issuance of notes payable	-	
Principal paid on notes payable	-	
Interest paid on notes payable	-	
Acquisition/construction of capital assets	(2,785)	
Proceeds from sale of capital assets	-	
Capital contributions	-	
Other	-	
Net cash provided(used) by capital and related financing activities		(2,785)
Cash flows from investing activities		
Purchases of investment securities	(183,553)	
Proceeds from sale of investment securities	177,266	
Interest and dividends earned on investment securities	6,289	
Net cash provided(used) by investing activities		2
Net increase(decrease) in cash and cash equivalents		8,780
Cash and cash equivalents at beginning of year		67,911
Cash and cash equivalents at end of year		$ 76,691

STATE OF LOUISIANA
LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2010

Statement D
(concluded)

Reconciliation of operating income(loss) to net cash provided(used) by operating activities:

Operating income(loss)		$	(30,020)
Adjustments to reconcile operating income(loss) to net cash provided(used) by operating activities:			
Depreciation/amortization	1,688		
Provision for uncollectible accounts	-		
Other	-		
Changes in assets and liabilities:			
(Increase)decrease in accounts receivable, net	-		
(Increase)decrease in due from other funds	-		
(Increase)decrease in prepayments	-		
(Increase)decrease in inventories	-		
(Increase)decrease in other assets	-		
Increase(decrease) in accounts payable and accruals	7,362		
Increase(decrease) in compensated absences payable	6,533		
Increase(decrease) in due to other funds	-		
Increase(decrease) in deferred revenues	-		
Increase(decrease) in OPEB payable	26,000		
Increase(decrease) in other liabilities	-		
Net cash provided(used) by operating activities		$	11,563

Schedule of noncash investing, capital, and financing activities:

Borrowing under capital lease(s)	$	-
Contributions of fixed assets		-
Purchases of equipment on account		-
Asset trade-ins		-
Other (specify)		-
Total noncash investing, capital, and financing activities:	$	-

The accompanying notes are an integral part of this statement.

INTRODUCTION

The Louisiana Board of Chiropractic Examiners was created by the Louisiana State Legislature under the provisions of Louisiana Revised Statute 36:259 within the Department of Health and Hospitals. The following is a brief description of the operations of Louisiana Board of Chiropractic Examiners and includes the parish/parishes in which the Board is located:

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. The GASB has issued a Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification). This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such principles.

The accompanying financial statements of the Louisiana Board of Chiropractic Examiners present information only as to the transactions of the programs of the Board as authorized by Louisiana statutes and administrative regulations.

Basis of accounting refers to when revenues and expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The accounts of the Louisiana Board of Chiropractic Examiners are maintained in accordance with applicable statutory provisions and the regulations of the Division of Administration – Office of Statewide Reporting and Accounting Policy as follows:

Revenue Recognition

Revenues are recognized using the full accrual basis of accounting; therefore, revenues are recognized in the accounting period in which they are earned and become measurable.

Expense Recognition

Expenses are recognized on the accrual basis; therefore, expenses, including salaries, are recognized in the period incurred, if measurable.

B. BUDGETARY ACCOUNTING

The appropriations made for the operations of the various programs of the Louisiana Board of Chiropractic Examiners are annual lapsing appropriations.

1. The budgetary process is an annual appropriation valid for one year.
2. The agency is prohibited by statute from over expending the categories established in the budget.
3. Budget revisions are granted by the Joint Legislative Committee on the Budget, a committee of the Louisiana Legislature. Interim emergency appropriations may be granted by the Interim Emergency Board.
4. The budgetary information included in the financial statements includes the original appropriation plus subsequent amendments as follows:

	APPROPRIATIONS
Original approved budget	$
Amendments:	
Final approved budget	$ -

C. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (If all agency cash and investments are deposited in the State Treasury, disregard Note C.) See Appendix C for information related to Note C.

1. DEPOSITS WITH FINANCIAL INSTITUTIONS

For reporting purposes, deposits with financial institutions include savings, demand deposits, time deposits, and certificates of deposit. Under state law the Louisiana Board of Chiropractic Examiners may deposit funds within a fiscal agent bank selected and designated by the Interim Emergency Board. Further, the Louisiana Board of Chiropractic Examiners may invest in time certificates of deposit in any bank domiciled or having a branch office in the state of Louisiana; in savings accounts or shares of savings and loan associations and savings banks and in share accounts and share certificate accounts of federally or state chartered credit unions.

For the purpose of the Statement of Cash Flows and balance sheet presentation, all highly liquid investments (including negotiable CDs and restricted cash and cash equivalents) and deposits (including nonnegotiable CDs and restricted cash and cash equivalents) with a maturity of three months or less when purchased are considered to be cash equivalents.

Deposits in bank accounts are stated at cost, which approximates market. Under state law these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These pledged securities are required to be held in the name of the pledging fiscal agent bank in a holding or custodial bank in the form of safekeeping receipts held by the State Treasurer.

GASB Statement 40, which amended GASB Statement 3, eliminated the requirement to disclose all deposits by three categories of risk. GASB Statement 40 requires only the disclosure of deposits that are considered to be exposed to custodial credit risk. An entity's deposits are exposed to custodial credit risk if the deposit balances are either 1) uninsured and uncollateralized, 2) uninsured and collateralized with securities held by the pledging financial institution, or 3) uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the entity's name.

The deposits at June 30, 2010, consisted of the following:

	Cash	Nonnegotiable Certificates of Deposit	Other (Describe)	Total
Deposits per Balance Sheet (Reconciled bank balance)	$ 76,691	$ 183,553	$ -	$ 260,244
Deposits in bank accounts per bank	$ 77,357	$ 183,553	$ -	$ 260,910
Bank balances exposed to custodial credit risk:	$ -	$ -	$ -	$ -
a. Uninsured and uncollateralized	-	-	-	-
b. Uninsured and collateralized with securities held by the pledging institution	-	-	-	-
c. Uninsured and collateralized with securities held by the pledging institution's trust department or agent, but not in the entity's	-	-	-	-

NOTE: The "Deposits in bank accounts per bank" will not necessarily equal the "Deposits per Balance Sheet" due to outstanding items.

The following is a breakdown by banking institution, program, and amount of the "Deposits in bank accounts per bank" balances shown above:

	Banking Institution	Program		Amount
1.	Capital One	Checking	$	72,778
2.	Whitney National Bank	Saving		4,579
3.	DOW LA FCU	Certificates of Deposit		183,553
4.				
Total			$	260,910

Cash in State Treasury and petty cash are not required to be reported in the note disclosure. However, to aid in reconciling amounts reported on the balance sheet to amounts reported in this note, list below any cash in treasury and petty cash that are included on the balance sheet.

Cash in State Treasury	$	-
Petty cash	$	-

2. INVESTMENTS **(NOT APPLICABLE)**

The ______________________ (BTA) does/does not maintain investment accounts as authorized by_______________ (Note legal provisions authorizing investments by (BTA)).
Custodial Credit Risk

Investments can be exposed to custodial credit risk if the securities underlying the investment are uninsured, not registered in the name of the entity, and are either held by the counterparty or the counterparty's trust department or agent, but not in the entity's name. Repurchase agreements are not subject to credit risk if the securities underlying the repurchase agreement are exempt from credit risk disclosure. Using the following table, list each type of investment disclosing the total carrying amounts and market values, and any amounts exposed to custodial credit risk.

GASB Statement 40 amended GASB Statement 3 to eliminate the requirement to disclose all investments by three categories of risk. GASB Statement 40 requires only the separate disclosure of investments that are considered to be exposed to custodial credit risk. Those investments exposed to custodial credit risk are reported by type in one of two separate columns depending upon whether they are held by a counterparty, or held by a counterparty's trust department or agent not in the entity's name. <u>In addition, the total reported amount and fair value columns still must be reported for total investments regardless of exposure to custodial credit risk.</u>

	Investments Exposed *to Custodial Credit Risk*		All Investments Regardless of *Custodial Credit Risk Exposure*	
Type of Investment	Uninsured, *Unregistered, and Held by Counterparty	Uninsured, *Unregistered, and Held by Counterparty's Trust Dept. or Agent Not in Entity's Name	Reported Amount Per Balance Sheet	Fair Value
Negotiable CDs	$	$	$	$
Repurchase agreements				
U.S. Government Obligations **				
U.S. Agency Obligations				
Common & preferred stock				
Mortgages (including CMOs & MBSs)				
Corporate bonds				
Mutual funds				
Real estate				
External Investment Pool (LAMP) ***				
External Investment Pool (Other)				
Other: (identify)				
Total investments	$ -	$ -	$ -	$ -

* Unregistered - not registered in the name of the government or entity

** These obligations generally are not exposed to custodial credit risk because they are backed by the full faith and credit of the U.S. government. (See Appendix C for the definition of U.S. Government Obligations)

*** LAMP investments should not be included in deposits AND should be identified separately in this table to ensure LAMP investments are not double-counted on the State level.

3. CREDIT RISK, INTEREST RATE RISK, CONCENTRATION OF CREDIT RISK, AND FOREIGN CURRENCY RISK DISCLOSURES **(NOT APPLICABLE)**

A. Credit Risk of Debt Investments

Disclose the credit risk of debt investments by credit quality ratings as described by rating agencies as of the fiscal year end, including the rating agency used (Moody's, S&P, etc.). All debt investments regardless of type can be aggregated by credit quality rating (if any are un-rated, disclose that amount).

Rating Agency	Rating	Fair Value
		$
	Total	$ -

B. Interest Rate Risk of Debt Investments

1. Disclose the interest rate risk of debt investments by listing the investment type, total fair value, and breakdown of maturity in years for each debt investment type. (Note – This is the prescribed method, segmented time distribution, for the CAFR. Also, total debt investments reported in this table should equal total debt investments reported in Section A – Credit Risk of Debt Investments.)

		Investment Maturities (in Years)			
Type of Debt Investment	Fair Value	Less Than 1	1 - 5	6 - 10	Greater Than 10
U.S. Government obligations	$	$	$	$	$
U.S. Agency obligations					
Mortgage backed securities					
Collateralized mortgage obligations					
Corporate bonds					
Other bonds (describe)					
Mutual bond funds					
Other					
Total debt investments	$ -	$ -	$ -	$ -	$ -

2. List the fair value and terms of any debt investments that are highly sensitive to changes in interest rates due to the terms (e.g. coupon multipliers, reset dates, etc.) of the investment. See Appendix C for examples of debt investments that are highly sensitive to changes in interest rates.

Debt Investment	Fair Value	Terms
	$	
Total	$ -	

C. Concentration of Credit Risk

List, by amount and issuer, investments in any one issuer that represents 5% or more of total external investments (not including U.S. government securities, mutual funds, and investment pools).

Issuer	Amount	% of Total Investments
	$	
Total	$ -	

D. Foreign Currency Risk

Disclose the U.S. dollar balances of any deposits or investments that are exposed to foreign currency risk (deposits or investments denominated in foreign currencies); list by currency denomination and investment type, if applicable.

	Fair Value in U.S. Dollars	
Foreign Currency	Bonds	Stocks
	$	$
Total	$ -	$ -

4. DERIVATIVES (GASB 53) (NOT APPLICABLE)

A. Summary of Derivative Instruments

Complete the following table, "Summary of Derivative Instruments" for all derivative instruments held by the entity at June 30, 20___. If no derivative instruments were held by the entity at June 30, please state "None".

Summary of Derivative Instruments

Type	Notional	Changes in Fair Value Classification	Changes in Fair Value Amount	Fair Value at June 30 Classification	Fair Value at June 30 Amount *
Investment Derivative Instruments:					
			$		$
Fair Value Hedges:					
			$		$
Cash Flow Hedges:					
			$		$

***If fair value is based on other than quoted market prices, the methods and significant assumptions used to estimate those fair market values should be disclosed.**

B. Investment Derivative Instruments

Investment derivative instruments include derivative instruments that are not effective or are no longer effective and cannot be classified as hedging derivative instruments. Separately list each investment derivative instrument included in the table above and discuss the exposure to risk from these investments for the following risks:

1. Credit Risk of Investment Derivative Instruments

2. Interest Rate Risk of Investment Derivative Instruments

Investment Derivative Instrument	Notional Amount	Fair Value	Investment Maturities (in years) Less than 1	1 - 5	6 - 10	More than 10

Disclose the reference rate for each investment derivative instrument along with any embedded options

3. Foreign Currency Risk of Investment Derivative Instruments

Foreign Currency	Fair Value in U.S. Dollars Bonds	Stocks
	$	$
Total	$ -	$ -

4. Reclassification from Hedging Derivative Instrument to Investment Derivative Instrument

Item Reclassified	Notional Amount	Ineffective @ 6/30/10 (Y/N)	Fair Value @ 6/30/10	Ineffective @ 6/30/09 (Y/N)	Fair Value @ 6/30/09	Change in Fair Value @ 6/30/10
						-
						-
						-
						-

C. Hedging Derivative Instruments

Complete the following table- Terms and Objectives of Hedging Derivative Instruments - for all hedging derivative instruments held by the entity at June 30, 20___.

Terms and Objectives of Hedging Derivative Instruments

Type	Notional	Objective	Effective Date	Maturity Date	Terms *	Counterparty Credit Rating

***Terms include reference rates, embedded options, and the amount of cash paid or received, if any, when a forward contract or swap (including swaptions) was entered into.**

Interest rates and the various swap indices change over time. Use the schedule below to summarize payments on the swap and interest payments to bondholders for applicable hedging derivative instruments.

Hedging Derivative Instrument	Counterparty Swap Payment To	From	Net	Interest Payments to Bondholders	Total Payments

List each hedging derivative separately, and discuss the exposure to risk from these hedges for the following risks:

1. **Credit Risk of Hedging Derivative Instruments**

2. **Interest Rate Risk of Hedging Derivative Instruments**

Hedging Derivative Instrument	Notional Amount	Fair Value	Investment Maturities (in years) Less than 1	1 - 5	6 - 10	More than 10

3. **Basis Risk of Hedging Derivative Instruments**

4. **Termination Risk of Hedging Derivative Instruments**

5. **Rollover Risk of Hedging Derivative Instruments**

6. Market-Access Risk of Hedging Derivative Instruments

7. Foreign Currency Risk of Hedging Derivative Instruments

Foreign Currency	Fair Value in U.S. Dollars Bonds	Stocks
	$	$
Total	$ -	$ -

If any hedged items are a debt obligation, then its net cash flows are required to be disclosed in accordance with GASB Statement No. 38, paragraphs 10 – 11. This information, if applicable, should be provided below, and will be included in Note 8 of the CAFR.

Using the following chart, provide the principal and interest requirements to maturity for those hedged items that are a debt obligation. If your fiscal year ends other than June 30, change the date within the table. If the number of years for your debt to terminate exceeds the years listed, add those years to the table (in 5 year increments).

Debt and Lease Obligations for Hedged Debt (per GASB 38, paragraph 10)

Fiscal Year Ending June 30	Principal	Interest	Hedging Derivative Instruments, Net	Total
2011	$	$	$	$ -
2012				-
2013				-
2014				-
2015				-
2016-2020				-
2021-2025				-
2026-2030				-
2031-2035				-
2036-2040				-
Total	-	-	-	-

Note:* *The hedging derivative column reflects only net receipts/payments on derivative instruments that qualify for hedge accounting.

List any terms by which the interest rates change for variable-rate debt.

Using the following chart, provide the future minimum lease payments for those hedged items that are obligations under capital and noncancelable operating leases (per GASB 38, paragraph 11). If your fiscal year ends other than June 30, change the date within the table. If the number of years for your lease extends beyond the years listed, add those years to the table (in 5 year increments).

Fiscal Year Ending June 30	Minimum Future Lease Payment
2011	$
2012	
2013	
2014	
2015	
2016-2020	
2021-2025	
2026-2030	
2031-2035	
2036-2040	
Total	-

If effectiveness is determined by another quantitative method not identified in GASB Statement No. 53, provide the identity and characteristics of the method used, the range of critical terms the method tolerates, and the actual critical terms of the hedge.

D. Contingent Features

Disclose any contingent features that are included in derivative instruments held at the end of the reporting period. The required disclosures include (1) the existence and nature of contingent features and the circumstances in which the features could be triggered, (2) the aggregate fair value of derivative instruments that contain those features, (3) the aggregate fair value of assets that would be required to be posted as collateral or transferred in accordance with the provisions related to the triggering of the contingent liabilities, and (4) the amount, if any, that has been posted as collateral by the government as of the end of the reporting period.

E. Hybrid Instruments

If your entity has any hybrid instruments, disclosure of the companion instrument should be consistent with disclosures required of similar transactions. List any hybrid instruments below and provide information regarding any hybrid instruments and a reference to where the required disclosures can be found. If the required disclosures are not presented elsewhere, provide those disclosures below. If your entity does not have any hybrid instruments, state "None".

____

F. Synthetic Guaranteed Investment Contracts (SGICs)

If your entity has a fully benefit-responsive SGIC, then a description of the nature of the SGIC and the SGIC's fair value (including separate disclosure of the fair value of the wrap contract and the fair value of the corresponding underlying investments) should be disclosed as of the end of the reporting period. Provide those required disclosures below. If your entity does not have any, state "None".

____

5. POLICIES **(NOT APPLICABLE)**

Briefly describe the deposit and/or investment policies related to the custodial credit risk, credit risk of debt investments, concentration of credit risk, interest rate risk, and foreign currency risk disclosed in this note. If no policy exists concerning the risks disclosed, please state that fact.

____

6. OTHER DISCLOSURES REQUIRED FOR INVESTMENTS **(NOT APPLICABLE)**

a. Investments in pools managed by other governments or mutual funds ____

b. Securities underlying reverse repurchase agreements ____

c. Unrealized investment losses ____

d. Commitments as of ________ (fiscal close), to resell securities under yield maintenance repurchase agreements:

1. Carrying amount and market value at June 30 of securities to be resold

____

2. Description of the terms of the agreement

____

____

e. Losses during the year due to default by counterparties to deposit or investment transactions______________________________

____

f. Amounts recovered from prior-period losses which are not shown separately on the balance sheet ______________________________

Legal or Contractual Provisions for Reverse Repurchase Agreements

g. Source of legal or contractual authorization for use of reverse repurchase agreements

____

h. Significant violations of legal or contractual provisions for reverse repurchase agreements that occurred during the year ______________________________

____

Reverse Repurchase Agreements as of Year-End

i. Credit risk related to the reverse repurchase agreements (other than yield maintenance agreements) outstanding at year end, that is, the aggregate amount of reverse repurchase agreement obligations including accrued interest compared to aggregate market value of the securities underlying those agreements including interest

____

____

j. Commitments on __________ (fiscal close) to repurchase securities under yield maintenance agreements______________________________

k. Market value on __________ (fiscal close) of the securities to be repurchased

____

l. Description of the terms of the agreements to repurchase ______________________________

____

m. Losses recognized during the year due to default by counterparties to reverse repurchase agreements ______________________

n. Amounts recovered from prior-period losses which are not separately shown on the operating statement ______________________

Fair Value Disclosures (GASB 31)

o. Methods and significant assumptions used to estimate fair value of investments, if fair value is not based on quoted market prices ______________________

____

p. Basis for determining which investments, if any, are reported at amortized cost

____

q. For investments in external investment pools that are not SEC-registered, a brief description of any regulatory oversight for the pool

____

r. Whether the fair value of your investment in the external investment pool is the same as the value of the pool shares ______________________

s. Any involuntary participation in an external investment pool ______________________

____

t. If you are unable to obtain information from a pool sponsor to determine the fair value of your investment in the pool, methods used and significant assumptions made in determining fair value and the reasons for having had to make such an estimate

____

u. Any income from investments associated with one fund that is assigned to another fund

____

Land and Other Real Estate Held as Investments by Endowments (GASB 52)

v. ______________________ (agency/entity) owns land or other real estate held as investments by endowments. (yes/no) Land or real estate held as investments by endowments is reported at fair value in the entity's financial statements and any applicable fair value note disclosures are reported in the preceding fair value disclosure section.

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D. CAPITAL ASSETS – INCLUDING CAPITAL LEASE ASSETS

The fixed assets used in the Special Purpose Government Engaged only in Business-Type Activities are included on the balance sheet of the entity and are capitalized at cost. Depreciation of all exhaustible fixed assets used by the entity is charged as an expense against operations. Accumulated depreciation is reported on the balance sheet. Depreciation for financial reporting purposes is computed by the straight line method over the useful lives of the assets.

	Year ended June 30, 2010							
		Prior Period Adjustments						
	Balance 6/30/2009	Adj. after submitted to OSRAP (+or-)	Restatements (+or-)	Adjusted Balance 6/30/2009	Additions	Transfers*	Retirements	Balance 6/30/2010
Capital assets not being depreciated								
Land	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Non-depreciable land improvements	-	-	-	-	-	-	-	-
Non-depreciable easements	-	-		-	-	-	-	-
Capitalized collections	-	-	-	-	-	-	-	-
Software Development in Progress	-	-		-	-	-	-	-
Construction in progress (CIP)	-	-	-	-	-	-	-	-
Total capital assets not being depreciated	-	-	-	-	-	-	-	-
Other capital assets								
Machinery and equipment	12,248	-	-	12,248	2,785	-	-	15,033
Less accumulated depreciation	(10,823)	-	-	(10,823)	(1,688)	-	-	(12,511)
Total Machinery and equipment	1,425	-	-	1,425	1,097	-	-	2,522
Buildings and improvements	-	-	-	-	-	-	-	-
Less accumulated depreciation	-	-	-	-	-	-	-	-
Total buildings and improvements	-	-	-	-	-	-	-	-
Depreciable land improvements				-				-
Less accumulated depreciation	-	-	-	-	-	-	-	-
Total land improvements	-	-	-	-	-	-	-	-
Infrastructure				-				-
Less accumulated depreciation	-	-	-	-	-	-	-	-
Total infrastructure	-	-	-	-	-	-	-	-
Software (internally generated and purchased)	-	-	-	-	-	-	-	-
Other Intangibles	-	-	-	-	-	-	-	-
Less accumulated amortization - software	-	-	-	-	-	-	-	-
Less accumulated amortization - other intangibles	-	-	-	-	-	-	-	-
Total intangibles	-	-	-	-	-	-	-	-
Total other capital assets	1,425	-	-	1,425	1,097	-	-	2,522
Capital assets not being depreciated	-	-	-	-	-	-	-	-
Other capital assets, at cost	12,248	-	-	12,248	2,785	-	-	15,033
Total cost of capital assets	12,248	-	-	12,248	2,785	-	-	15,033
Less accumulated depreciation and amortization	(10,823)	-	-	(10,823)	(1,688)	-	-	(12,511)
Capital assets, net	$ 1,425	$ -	$ -	$ 1,425	$ 1,097	$ -	$ -	$ 2,522

* Should be used only for those completed projects coming out of construction-in-progress to fixed assets.

** Enter a negative number with the exception of accumulated depreciation in the retirement and prior period adjustment column.

There were no other intangible assets held by the Louisiana Board of Chiropractic Examiners for year ended June 30, 2010.

E. INVENTORIES (NOT APPLICABLE)

The BTA's inventories are valued using ______________ (method of valuation – FIFO, LIFO, weighted average, moving average, specific identification, etc). These are perpetual inventories and are expensed when used.

F. RESTRICTED ASSETS (NOT APPLICABLE)

Restricted assets in the ____________ (BTA) at ______________ (fiscal year end), reflected at $__________ in the non-current assets section on Statement A, consist of $__________ in cash with fiscal agent, $__________ in receivables, and $__________ investment in _________________ (identify the type of investments held.) State the purpose of the restrictions: ____.

G. LEAVE

1. COMPENSATED ABSENCES

The Louisiana Board of Chiropractic Examiners has the following policy on annual and sick leave:

Employees earn and accumulate annual and sick leave at various rates depending on their years of service. The amount of annual and sick leave that may be accumulated by each employee is unlimited. Upon termination, employees or their heirs are compensated for up to 360 hours of unused annual leave at the employee's hourly rate of pay at the time of termination. Upon retirement, unused annual leave in excess of 360 hours plus unused sick leave is used to compute retirement benefits.

The cost of leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current year expenditure in the fund when leave is actually taken; it is recognized in the enterprise funds when the leave is earned. The cost of leave privileges applicable to general government operations not requiring current resources is recorded in long-term obligations. There is no liability for unpaid accumulated sick leave since the District does not have a policy to pay this amount when employees separate from service.

2. COMPENSATORY LEAVE

Employees who are considered having non-exempt status according to the guidelines contained in the Fair Labor Standards Act may be paid for compensatory leave earned (K-time). Upon termination or transfer, an employee will be paid for any time and one-half compensatory leave earned and may or may not be paid for any straight hour-for-hour compensatory leave earned. Compensation paid will be based on the employees' hourly rate of pay at termination or transfer. The liability for accrued payable compensatory leave at June 30, 2010 computed in accordance with the Codification of Governmental Accounting and Financial Reporting Standards, Section C60.105 is estimated to be $5,233. The leave payable is recorded in the accompanying financial statements.

H. RETIREMENT SYSTEM

Substantially all of the employees of the (BTA) are members of the Louisiana State Employees Retirement System (LASERS), a single employer defined benefit pension plan. The System is a statewide public employee retirement system (PERS) for the benefit of state employees, which is administered and controlled by a separate board of trustees. **(Note: If LASERS is not your entity's retirement system, indicate the retirement system that is and replace any wording in this note that doesn't apply to your retirement system with the applicable wording.)**

All full-time (BTA) employees are eligible to participate in the System unless they elect to continue as a contributing member in any other retirement system for which they remain eligible for membership. Certain elected officials and officials appointed by the governor may, at their option, become members of LASERS. Normal benefits vest with 10 years of service. Generally, retirement age employees are entitled to annual benefits equal to $300 plus 2.5% of their highest consecutive 36 months' average salary multiplied by their years of credited service except for members eligible to begin participation in the Defined Benefit Plan (DBP) <u>on or after</u> July 1, 2006. Act 75 of the 2005 Regular Session changes retirement eligibility and final average compensation for members who are eligible to begin participation in the DBP beginning July 1, 2006. Retirement eligibility for these members is limited to age 60, or thereafter, upon attainment of ten years of creditable service. Final average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment.

Vested employees eligible to begin participation in the DBP before July 1, 2006, are entitled to a retirement benefit, payable monthly for life at (a) any age with 30 years of service, (b) age 55 with 25 years of service, or (c) age 60 with 10 years of service. In addition, these vested employees have the option of reduced benefits at any age with 20 years of service. Those hired on or after July 1, 2006 have only a single age option. They cannot retire until age 60 with a minimum of 10 years of service. The System also provides death and disability benefits and deferred benefit options, with qualifications and amounts defined by statute. Benefits are established or amended by state statute. The System issues a publicly available annual financial report that includes financial statements and required supplementary information for the System. For a full description of the LASERS defined benefit plan, please refer to the LASERS 2008 Financial Statements, specifically, footnotes A – Plan Description and C – Contributions. That report may be obtained by writing to the Louisiana State Employees Retirement System, Post Office Box 44213, Baton Rouge, Louisiana 70804-4213, or by calling (225) 922-0608 or (800) 256-3000. The footnotes to the Financial Statements contain additional details and are also available on-line at:

http://www.lasers.state.la.us/PDFs/Publications_and_Reports/Fiscal_Documents/Comprehensive_Financial_Reports/Comprehensive%20Financial%20Reports_08.pdf

Members are required by state statute to contribute with the single largest group ("regular members") contributing 7.5% of gross salary, and the (BTA) is required to contribute at an actuarially determined rate as required by R.S. 11:102. The contribution rate for the fiscal year ended June 30, 2010, decreased to 18.5% of annual covered payroll from the 20.4% and 19.1% required in fiscal years ended June 30, 2009 and 2008 respectively. The Board contributions to the System for the years ending June 30, 2010, 2009, and 2008, were $9,913, $11,777, and $11,442, respectively, equal to the required contributions for each year.

I. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

GASB Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* addresses accounting and financial reporting for OPEB trust and agency funds of the employer. GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions* establishes standards of accounting and financial reporting for OPEB expense/expenditures and related OPEB liabilities or OPEB assets, note disclosures, and required supplementary information (RSI) in the financial reports of governmental employers. **See the GASB Statement No. 45 note disclosures requirements in section 2 of this note.**

1. Calculation of Net OPEB Obligation

Complete the following table for only the net OPEB obligation (NOO) related to OPEB administered by the Office of Group Benefits. **The ARC, NOO at the beginning of the year, interest, ARC adjustment, and Annual OPEB Expense have been computed for OGB participants (see OSRAP's website - http://www.doa.louisiana.gov/OSRAP/afrpackets.htm) and select "GASB 45 OPEB Valuation Report as of July 1, 2009, to be used for fiscal year ending June 30, 2010." Report note disclosures for other plans, not administrated by OGB, separately.**

Fiscal year ending	6/30/2010
1. * ARC	$ 25,900
2. * Interest on NOO (4%)	1,900
3. * ARC adjustment	1,800
4. * Annual OPEB Expense (1. + 2. - 3.)	26,000
5. Contributions (employer pmts. to OGB for retirees' cost of 2010 insurance premiums)	-
6. Increase in Net OPEB Obligation (4. - 5.)	26,000
7. *NOO, beginning of year (see actuarial valuation report on OSRAP's website)	48,044
8. **NOO, end of year (6. + 7.)	$ 74,044

*This must be obtained from the OSRAP website on the spreadsheet "GASB 45 OPEB Valuation Report as of July 1, 2009, to be used for fiscal year ending June 30, 2010."

**This should be the same amount as that shown on the Balance Sheet for the year ended June 30, 2010 if your entity's only OPEB is administered by OGB.

2. Note Disclosures

If your only OPEB provider is OGB, your entity will have no OPEB note disclosures for OSRAP other than the OPEB calculation above; <u>however, GASB 45 note disclosures are required for separately issued GAAP financial statements.</u>

J. LEASES

1. OPERATING LEASES

The total payments for operating leases during fiscal year 2010 amounted to $28,380. A schedule of payments for operating leases follows:

Nature of lease	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016-2020	FY 2021-2025
Office Space	$ 28,380	$ 28,380	$ 28,380	$ 7,095	$	$	$
Equipment							
Land							
Other							
Total	$ 28,380	$ 28,380	$ 28,380	$ 7,095	$ -	$ -	$ -

Note: the operating lease ends at 2014. Therefore, the schedule only contains four future minimum payments.

2. CAPITAL LEASES (NOT APPLICABLE)

Capital leases (are/are not) recognized in the accompanying financial statements. The amounts to be accrued for capital leases and the disclosures required for capital and operating leases by National Council on Governmental Accounting (NCGA) Statement No. 5, as adopted by the Governmental Accounting Standards Board, and FASB 13 should be reported on the following schedules:

Capital leases are defined as an arrangement in which any one of the following conditions apply: (1) ownership transfers by the end of the lease, (2) the lease contains a bargain purchase option, (3) the lease term is 75% of the asset life or, (4) the discounted minimum lease payments are 90% of the fair market value of the asset.

Schedule A should be used to report all capital leases including new leases in effect as of 6/30/10. In Schedule B, report only those new leases entered into during fiscal year 2009-2010.

SCHEDULE A – TOTAL AGENCY CAPITAL LEASES EXCEPT LEAF

Nature of lease	Gross Amount of Leased Asset (Historical Costs)	Remaining interest to end of lease	Remaining principal to end of lease
a. Office space	$	$	$
b. Buildings			
c. Equipment			
d. Land			
e. Other			
Total	$ -	$ -	$ -

The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the minimum lease payments as of (last day of your fiscal year) and a breakdown of yearly principal and interest: **(Note: If lease payments extend past FY2030, create additional rows and report these future minimum lease payments in five year increments.)**

Year ending June 30:	Total
2011	$
2012	
2013	
2014	
2015	
2016-2020	
2021-2025	
2026-2030	
Total minimum lease payments	-
Less amounts representing executory costs	
Net minimum lease payments	-
Less amounts representing interest	
Present value of net minimum lease payments	$ -

SCHEDULE B – NEW AGENCY CAPITAL LEASES EXCEPT LEAF

Nature of lease	Gross Amount of Leased Asset (Historical Costs)	Remaining interest to end of lease	Remaining principal to end of lease
a. Office space	$	$	$
b. Buildings			
c. Equipment			
d. Land			
e Other			
Total	$ -	$ -	$ -

The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of (last day of your fiscal year) and a breakdown of yearly principal and interest: **(Note: If lease payments extend past FY2030, create additional rows and report these future minimum lease payments in five year increments.)**

Year ending June 30:	Total
2011	$
2012	
2013	
2014	
2015	
2016-2020	
2021-2025	
2026-2030	
Total minimum lease payments	-
Less amounts representing executory costs	
Net minimum lease payments	-
Less amounts representing interest	
Present value of net minimum lease payments	$ -

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SCHEDULE C – LEAF CAPITAL LEASES

Nature of lease	Gross Amount of Leased Asset (Historical Costs)	Remaining interest to end of lease	Remaining principal to end of lease
a. Office space	$	$	$
b. Equipment			
c. Land			
d. Other			
Total	$ -	$ -	$ -

The following is a schedule by years of future minimum lease payments under capital leases financed through the LEAF program, together with the present value of the net minimum lease payments as of (last day of your fiscal year) and a breakdown of yearly principal and interest: **(Note: If lease payments extend past FY2030, create additional rows and report these future minimum lease payments in five year increments.)**

Year ending June 30:	Total
2011	$
2012	
2013	
2014	
2015	
2016-2020	
2021-2025	
2026-2030	
Total minimum lease payments	-
Less amounts representing executory costs	
Net minimum lease payments	-
Less amounts representing interest	
Present value of net minimum lease payments	$ -

3. LESSOR DIRECT FINANCING LEASES **(NOT APPLICABLE)**

A lease is classified as a direct financing lease (1) when any one of the four capitalization criteria used to define a capital lease for the lessee is met and (2) when both the following criteria are satisfied: -

- Collectability of the minimum lease payments is reasonably predictable.
- No important uncertainties surround the amount of the unreimbursable costs yet to be incurred by the lessor under the lease.

Provide a general description of the direct financing agreement and complete the chart below:

Composition of lease	Date of lease	Minimum lease payment receivable	Remaining interest to end of lease	Remanining principal to end of lease
a. Office space		$	$	$
b. Buildings				
c. Equipment				
d. Land				
e. Other				
Less amounts representing executory costs				
Minimum lease payment receivable		-		
Less allowance for doubtful accounts				
Net minimum lease payments receivable		-		
Less estimated residual value of leased property				
Less unearned income				
Net investment in direct financing lease		$ -		

Minimum lease payment receivables do not include contingent rentals which may be received as stipulated in the lease contracts. Contingent rental payments occur if, for example, the use of the equipment, land, or building etc., exceeds a certain level of activity each year. Contingent rentals received for fiscal year 2010 were $_________ for office space, $________ for buildings, $________ for equipment, $________ for land , and $ for other.

The following is a schedule by year of minimum leases receivable for the remaining fiscal years of the lease as of __________ (the last day of your fiscal year): **(Note: If lease receivables extend past FY2030, please create additional rows and report these future minimum lease payment receivables in five year increments.)**

Year ending ____________:	
2011	$
2012	
2013	
2014	
2015	
2016-2020	
2021-2025	
2026-2030	
Total	$ -

4. LESSOR – OPERATING LEASE **(NOT APPLICABLE)**

When a lease agreement does not satisfy at least one of the four criteria (common to both lessee and lessor accounting), and both of the criteria for a lessor (collectability and no uncertain reimbursable costs), the lease is classified as an operating lease. In an operating lease, there is no simulated sale and the lessor simply records rent revenues as they become measurable and available.

Provide the cost and carrying amount, if different, of property on lease or held for lease organized by major class of property and the amount of accumulated depreciation as of _________ 20___:

	Cost	Accumulated depreciation	Carrying amount
a. Office space	$	$	$ -
b. Building			-
c. Equipment			-
d. Land			-
e. Other			-
Total	$ -	$ -	$ -

The following is a schedule by years of minimum future rentals receivable on non-cancelable operating lease(s) as of _________ (the last day of your fiscal year): **(Note: If lease receivables extend past FY2030, please create additional rows and report these future minimum lease payment receivables in five year increments.)**

Year Ended June 30,	Office Space	Equipment	Land	Other	Total
2011	$	$	$	$	$ -
2012					-
2013					-
2014					-
2015					-
2016-2020					-
2021-2025					-
2026-2030					-
Total	$ -	$ -	$ -	$ -	$ -

Current year lease revenues received in fiscal year _____ totaled $_______________. Contingent rentals received from operating leases received for your fiscal year was $______________ for office space, $__________ for buildings, $___________ for equipment, $_____________ for land, and $__________ for other.

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K. LONG-TERM LIABILITIES

The following is a summary of long-term debt transactions of the entity for the year ended June 30, 2010:

	Year ended June 30, 2010				
	Balance June 30, 2009	Additions	Reductions	Balance June 30, 2010	Amounts due within one year
Notes and bonds payable:					
Notes payable	$	$	$	$ -	$
Bonds payable	-			-	
Total notes and bonds	-	-	-	-	-
Other liabilities:					
Contracts payable	-	-	-	-	
Compensated absences payable	19,132	6,533	-	25,665	
Capital lease obligations	-	-	-	-	
Claims and litigation	-	-	-	-	
Pollution remediation obligation				-	
OPEB payable	48,044	26,000	-	74,044	
Other long-term liabilities	-	-	-	-	
Total other liabilities	67,176	32,533	-	99,709	-
Total long-term liabilities	$ 67,176	$ 32,533	$ -	$ 99,709	$ -

(Send OSRAP a copy of the amortization schedule for any new debt issued.)

L. CONTINGENT LIABILITIES (NOT APPLICABLE)

GAAP requires that the notes to the financial statements disclose any situation where there is at least a reasonable possibility that assets have been impaired or that a liability has been incurred along with the dollar amount if it can reasonably be estimated. **Do not report impaired capital assets as defined by GASB 42 below, rather disclose GASB 42 impaired capital assets in Note CC.** Losses or ending litigation that is probable should be reflected on the balance sheet.

The __________ (BTA) is a defendant in litigation seeking damages as follows: (Only list litigation not being handled by the Office of Risk Management or the Attorney General.)

Date of Action	Description of Litigation and Probable outcome (Probable, reasonably possible or remote)	Estimated Liability Amt for Claims & Litigation (Opinion of legal counsel)	Insurance Coverage
		$	$
Totals		$ -	$ -

*Note: Liability for claims and judgments should include specific, incremental claim expenses if known or if it can be estimated. For example, the cost of outside legal assistance on a particular claim may be an incremental cost, whereas assistance from internal legal staff on a claim may not be incremental because the salary costs for internal staff normally will be incurred regardless of the claim. (See GASB 30, paragraph 9)

(Only answer the following questions for those claims and litigation not being handled by the Office of Risk Management.)

Indicate the way in which risks of loss are handled (circle one).

(a) Purchase of commercial insurance,
(b) Participation in a public entity risk pool (e.g., Office of Risk Management claims)
(c) Risk retention (e.g., Use of an internal service fund is considered risk retention because the entity as a whole has retained the risk of loss.)
(d) Other (explain) ____________________

For entities participating in a risk pool (other than the Office of Risk Management), describe the nature of the participation, including the rights and the responsibilities of both the entity and the pool. ____________________

Describe any significant reductions in insurance coverage from coverage in the prior year by major categories of risk. Also, indicate whether the amount of settlements exceeded insurance coverage for each of the past three fiscal years. ____________________

Disclose any cases where it is probable that a liability has been incurred, but the effect of the liability has not been reflected in the financial statements because it cannot be estimated. ____________________

Disclose any guarantee of indebtedness even if there is only a remote chance that the government will be called on to honor its guarantee. ______________________________

Disallowed Cost:
Those agencies collecting federal funds, which have been informed that certain of their previously claimed costs were disallowed, should disclose the requested information in the schedule shown below. Show each possible disallowance on a separate line in the chart.

	Program	Date of Disallowance	Amount	*Probability of Payment	Estimated Liability Amount**
1			$		$
2					
3					
4					

* Reasonably possible, probable, or remote
** Indicate only if amount can be reasonably estimated by legal counsel

M. RELATED PARTY TRANSACTIONS (NOT APPLICABLE)

FASB 57 requires disclosure of the description of the relationship, the transaction(s), the dollar amount of the transaction(s) and any amounts due to or from that result from related party transactions. List all related party transactions. ______________________________

N. ACCOUNTING CHANGES (NOT APPLICABLE)

Accounting changes made during the year involved a change in accounting ______________ (principle, estimate or entity). The effect of the change is being shown in ____________________.

O. IN-KIND CONTRIBUTIONS (NOT APPLICABLE)

List all in-kind contributions that are not included in the accompanying financial statements.

In-Kind Contributions	Cost/Estimated Cost/Fair Market Value/As Determined by the Grantor
	$
Total	$ -

P. DEFEASED ISSUES (NOT APPLICABLE)

In _______________, 20____, the _______________________________________ (BTA), issued $___________________ of taxable bonds. The purpose of the issue was to provide monies to advance refund portions of ______________ bonds. In order to refund the bonds, portions of the proceeds of the new issue $_______________, plus an additional $____________of sinking fund monies together with certain other funds and/or securities, were deposited and held in an escrow fund created pursuant to an escrow deposit agreement dated ______________ between the (BTA) and the escrow trustee. The amount in the escrow, together with interest earnings, will be used to pay the principal, redemption premium, and interest when due. The refunding resulted in reducing the total debt service payments by almost $ ________________ and gave the (BTA) an economic gain (difference between the present values of the debt service payments on the old and new debt) of $________________.

Q. REVENUES – PLEDGED OR SOLD (GASB 48) (NOT APPLICABLE)

1. PLEDGED REVENUES

Pledged revenues are specific revenues that have been formally committed to directly collateralize or secure debt of the pledging government, or directly or indirectly collateralize or secure debt of a component unit. **Pledged revenues are revenue bonds that the State Bond Commission or the Louisiana Public Facilities Authority has authorized in your agency's name or in your agency's behalf.** Pledged revenues must be disclosed for each period in which the secured debt remains outstanding. **You must prepare a separate Note Q for each secured debt issued.**

Provide the following information about the specific revenue pledged:

a. Identify the specific pledged revenue:
   - Pledged revenue is ____
   - Debt secured by the pledged revenue (amount) __________________________
     ____
   - Approximate amount of pledge ____________________________(equal to the remaining principal and interest requirements)

b. Term of the commitment: __________________[number of years (beginning and ending dates by month and year) that the revenue will not be available for other purposes]

c. General purpose for the debt secured by the pledge:__________________________
____

d. Relationship of the pledged amount to the specific revenue: ________________
(the proportion of the specific revenue that has been pledged)

e. Comparison of the pledged revenues (current year information):
- Principal requirements:
____
- Interest requirements:
____
- Pledged revenues recognized during the period ______________ (gross pledged revenue minus specified operating expenses)

NOTE: For any new Revenue Bonds, you must send a copy of the following pages:
- Cover page
- Introductory statement
- **Amortization schedule – terms and conditions**
- Plan of financing – sources and used of funds
- Security for the bond (pledged revenue information)

2. FUTURE REVENUES REPORTED AS A SALE

Future revenues reported as a sale are proceeds that an agency/entity received in exchange for the rights to future cash flows from specific future revenues and for which the agency/entity's continuing involvement with those revenues or receivables is effectively terminated. (see Appendix E)

Provide the following information <u>in the year of the sale ONLY</u>:

a. Identify the specific revenue sold:
   - the revenue sold is ______________________________
   - the approximate amount ______________________________
   - significant assumptions used in determining the approximate amount
   ____

b. Period of the sale: ______________________________

c. Relationship of the sold amount to the total for that specific revenue:
____

d. Comparison of the sale:
   - proceeds of the sale ______________________________
   - present value of the future revenues sold ____________________
   - significant assumptions in determining the present value ______________
   ____

R. GOVERNMENT-MANDATED NONEXCHANGE TRANSACTIONS (GRANTS) (NOT APPLICABLE)

The following government-mandated nonexchange transactions (grants) were received during fiscal year 2009-2010:

CFDA Number	Program Name	State Match Percentage	Total Amount of Grant
			$
Total government-mandated nonexchange transactions (grants)			$ -

S. VIOLATIONS OF FINANCE-RELATED LEGAL OR CONTRACTUAL PROVISIONS (NOT APPLICABLE)

At June 30, 20__, the ________________ (BTA) was not in compliance with the provisions of ________________ Bond Reserve Covenant that requires ________________. The ________________ (BTA) did ________________ to correct this deficiency.

T. SHORT-TERM DEBT (NOT APPLICABLE)

The ________________ (BTA) issues short-term notes for the following purpose(s) ________________.

Short-term debt activity for the year ended June 30, 20__, was as follows:

List the type of Short-term debt (e.g., tax anticipation notes)	Beginning Balance	Issued	Redeemed	Ending Balance
	$	$	$	$ -

The ________________ (BTA) uses the following revolving line of credit for to finance ________________ (list purpose for the S-T debt).

Short-term debt activity for the year ended June 30, 20__, was as follows:

	Balance	Draws	Redeemed	Balance
Line of credit	$	$	$	$ -

U. DISAGGREGATION OF RECEIVABLE BALANCES

Receivables at June 30, 2010, were as follows:

Fund (gen. fund, gas tax fund, etc.)	Customer Receivables	Taxes	Receivables from other Governments	Other Receivables	Total Receivables
	$ -	$ -	$ -	$ 2,748	$ 2,748
					-
Gross receivables	$ -	$ -	$ -	$ 2,748	$ 2,748
Less allowance for uncollectible accounts	-	-	-	-	-
Receivables, net	$ -	$ -	$ -	$ 2,748	$ 2,748
Amounts not scheduled for collection during the subsequent year	$ -	$ -	$ -	$ -	$ -

V. DISAGGREGATION OF PAYABLE BALANCES

Payables at June 30, 2010, were as follows:

Fund	Vendors	Salaries and Benefits	Accrued Interest	Other Payables	Total Payables
	$ 1,914	$ 11,799	$ -	$ -	$ 13,713
					-
Total payables	$ 1,914	$ 11,799	$ -	$ -	$ 13,713

W. SUBSEQUENT EVENTS (NOT APPLICABLE)

Disclose any material event(s) affecting the (BTA) occurring between the close of the fiscal period and issuance of the financial statement.

X. SEGMENT INFORMATION (NOT APPLICABLE)

Governments that report enterprise funds or that use enterprise fund accounting and reporting standards to report their activities are required to present segment information for those activities in the notes to the financial statements. For purposes of this disclosure, a segment is an identifiable activity (or group of activities), reported as or within an enterprise fund or another stand-alone entity that has one or more bonds or other debt instruments outstanding, with a revenue stream pledged in support of that debt. In addition, the activity's revenues, expenses, gains and losses, assets, and liabilities are required to be accounted for separately. This requirement for separate accounting applies if imposed by an external party, such as accounting and reporting requirements set forth in bond indentures. Disclosure requirements for each segment should be met by identifying the types of goods and services provided and by presenting condensed financial statements in the notes, including the elements in A through C below (GASB 34, paragraph 122, as modified by GASB 37, paragraph 17.)

Type of goods or services provided by each segment:

Segment No. 1 ______________________
Segment No. 2 ______________________

A. Condensed balance sheet:

(1) Total assets – distinguishing between current assets, capital assets, and other assets. Amounts receivable from other funds or BTAs should be reported separately.
(2) Total liabilities – distinguishing between current and long-term amounts. Amounts payable to other funds or BTAs should be reported separately.
(3) Total net assets – distinguishing among restricted (separately reporting expendable and nonexpendable components); unrestricted; and amounts invested in capital assets, net of related debt.

Condensed Balance sheet:

	Segment #1	Segment #2
Current assets	$	$
Due from other funds		
Capital assets		
Other assets		
Current liabilities		
Due to other funds		
Long-term liabilities		
Restricted net assets		
Unrestricted net assets		
Invested in capital assets, net of related debt		

B. Condensed statement of revenues, expenses, and changes in net assets:

(1) Operating revenues (by major source).

(2) Operating expenses. Depreciation (including any amortization) should be identified separately.
(3) Operating income (loss).
(4) Nonoperating revenues (expenses) – with separate reporting of major revenues and expenses.
(5) Capital contributions and additions to permanent and term endowments.
(6) Special and extraordinary items.
(7) Transfers
(8) Change in net assets.
(9) Beginning net assets.
(10) Ending net assets.

Condensed Statement of Revenues, Expenses, and Changes in Net Assets:

	Segment #1	Segment #2
Operating revenues	$	$
Operating expenses		
Depreciation and amortization		
Operating income (loss)	-	-
Nonoperating revenues (expenses)		
Capital contributions/additions to permanent and term endowments		
Special and extraordinary items		
Transfers in		
Transfers out		
Change in net assets	-	-
Beginning net assets		
Ending net assets	-	-

Condensed statement of cash flows:

(1) Net cash provided (used) by:
  (a) Operating activities
  (b) Noncapital financing activities
  (c) Capital and related financing activities
  (d) Investing activities
(2) Beginning cash and cash equivalent balances
(3) Ending cash and cash equivalent balances

Condensed Statement of Cash Flows:

	Segment #1	Segment #2
Net cash provided (used) by operating activities	$	$
Net cash provided (used) by noncapital financing activities		
Net cash provided (used) by capital and related financing activities		
Net cash provided (used) by investing activities		
Beginning cash and cash equivalent balances		
Ending cash and cash equivalent balances	-	-

Y. DUE TO/DUE FROM AND TRANSFERS (NOT APPLICABLE)

1. List by fund type the amounts **due from other funds** detailed by individual fund at fiscal year end:
   (Types of funds include general fund, statutory dedicated funds, discrete component unit funds, etc).

Type of Fund	Name of Fund	Amount
		$
Total due from other funds		$

2. List by fund type the amounts **due to other funds** detailed by individual fund at fiscal year end:

Type of Fund	Name of Fund	Amount
		$
Total due to other funds		$

3. List by fund type **all transfers from other funds for the fiscal year:**

Type of Fund	Name of Fund	Amount
		$
Total transfers from other funds		$

4. List by fund type **all transfers to other funds for the fiscal year:**

Type of Fund	Name of Fund	Amount
____________	____________	$ ____________
____________	____________	____________
____________	____________	____________
Total transfers to other funds		$ ____________

Z. LIABILITIES PAYABLE FROM RESTRICTED ASSETS (NOT APPLICABLE)

Liabilities payable from restricted assets in the ____________ (BTA) at__________ (fiscal year end), reflected at $____________in the liabilities section on Statement A, consist of $__________ in accounts payable, $__________ in notes payable, and $____________ in ________________.

AA. PRIOR-YEAR RESTATEMENT OF NET ASSETS (NOT APPLICABLE)

The following adjustments were made to restate beginning net assets for June 30, 20__.

Ending net assets 6/30/09 as reported to OSRAP on PY AFR	*Adjustments to ending net assets 6/30/09 (after AFR was submitted to OSRAP) + or (-)	Restatements (Adjustments to beg. Balance 7/1/09) + or (-)	Beg net assets @ 7/1/09 as restated
$	$		$ -
			-
			-
			-
			-

*Include all audit adjustments accepted by the agency or entity.
Each adjustment must be explained in detail on a separate sheet.

BB. NET ASSETS RESTRICTED BY ENABLING LEGISLATION (GASB 46) (NOT APPLICABLE)

Of the total net assets reported on Statement A at June 30, 20__, $____________ are restricted by enabling legislation. Enabling legislation authorizes a government to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that the resources be used only for the specific purposes stipulated in the legislation. Refer to Appendix F for more details on the determination of the amount to be reported as required by GASB Statement 46.

List below the net assets restricted by enabling legislation, the purpose of the restriction, and the Louisiana Revised Statute (LRS) that authorized the revenue:

Purpose of Restriction	LA Revised Statute Authorizing Revenue	Amount
		$
Total		$ -

CC. IMPAIRMENT OF CAPITAL ASSETS & INSURANCE RECOVERIES (NOT APPLICABLE)

GASB 42 establishes accounting and financial reporting standards for the impairment of capital assets and for insurance recoveries. Governments are required to evaluate prominent events or changes in circumstances affecting capital assets to determine whether impairment has occurred. A capital asset generally should be considered impaired if both (a) the decline in service utility of the capital asset is large in magnitude and (b) the event or change in circumstance is outside the normal life cycle of the capital asset. See Appendix G for more information on GASB 42 and the Impairment of Capital Assets.
The following capital assets became permanently impaired in FY 09-10: (Insurance recoveries related to impairment losses should be used to offset those impairment losses if received in the same year as the impairment. Include these insurance recoveries in the third column in the table below. Calculate the net impairment loss after insurance recoveries received in the current fiscal year in the fourth column. Include in the Financial Statement Classification column the account line in which the net impairment loss is reported in the financial statements. There are five indicators of impairment described in Appendix G, (1) physical damage, (2) enactment of laws, etc. List the appropriate number (1-5) to identify the indicator of impairment in the second to last column below.)

Type of asset	Amount of Impairment Loss	Insurance Recovery in the same FY	Net Impairment Loss per Financial Stmts	Financial Statement Classification	Appendix G Indicator of Impairment	Reason for Impairment (e.g. hurricane, fire)
Buildings	$	$	$			
Movable Property						
Infrastructure						

Insurance recoveries received in FY 09-10 related to impairment losses occurring in previous years, and insurance recoveries received in FY 09-10 other than those related to impairment of capital assets, should be reported as program revenues, nonoperating revenues, or extraordinary items, as appropriate. Indicate in the following table the amount and financial statement classification (account line in which the insurance recovery is reported in the financial statements) of insurance recoveries not included in the table above:

Type of asset	Amount of Insurance Recovery	Financial Statement Classification	Reason for insurance recovery (e.g. fire)
Buildings	$		
Movable Property			
Infrastructure			

The carrying amount of impaired capital assets that are idle at year-end should be disclosed, regardless of whether the impairment is considered permanent or temporary. The following capital assets were idle at the end of the fiscal year. (Include any permanently impaired capital assets listed above that are still idle at the end of the fiscal year, any temporarily impaired capital assets, and any assets impaired in prior years that are still idle at the end of the current fiscal year.)

Type of asset	Carrying Value of Idle Impaired Assets	Reason for Impairment
Buildings - permanently impaired	$	
Buildings - temporarily impaired		
Movable Property - permanently impaired		
Movable Property - temporarily impaired		
Infrastructure - permanently impaired		
Infrastructure - temporarily impaired		

DD. EMPLOYEE TERMINATION BENEFITS (NOT APPLICABLE)

Termination benefits are benefits, other than salaries and wages that are provided by employers as settlement for involuntary terminations initiated by management, or as an incentive for voluntary terminations initiated by employees. **Involuntary termination benefits include benefits such as severance pay or continued access to health insurance through the employer's group insurance plan.** Voluntary termination benefits include benefits such as enhanced early retirement options resulting from an approved early retirement plan.

Refer to GASB No. 47, Summary, Recognition Requirements – "Involuntary" termination is recognized when there is a plan of termination approved by the government. "For financial reporting purposes, a plan of involuntary termination is defined as a plan that (a) identifies, at a minimum, the number of employees to be terminated, the job classifications or functions that will be affected and their locations, and when the terminations are expected to occur and (b) establishes the terms of the termination benefits in sufficient detail to enable employees to determine the type and amount of benefits they will receive if they are involuntarily terminated."

Other termination benefits may include:

1. Early retirement incentives, such as cash payments, enhancement to defined benefit formula
2. Healthcare coverage when none would otherwise be provided (COBRA)
3. Payments due to early release from employment contracts
4. **All others based on professional judgment.**

GASB 47 requires the following disclosures about an employer's accounting for employee termination benefits:

1. A description of the termination benefit arrangement(s)
2. **Year the state** becomes obligated
3. Number of employees affected
4. Cost of termination benefits
5. Type of benefit(s) provided
6. The period of time over which the benefits are expected to be provided
7. If the termination benefit affects the defined benefit pension (OPEB) obligations, disclose the change in the actuarial accrued liability for the pension or OPEB plan attributable to the termination benefit
8. When termination liabilities are reported, disclose the significant methods and assumptions used to determine the liabilities to be disclosed (for as long as the liability is reported)

If a termination benefit is not recognized because the expected benefits are not estimable, the employer should disclose that fact.

The GASB 47 note disclosures listed below are provided as an example and should be modified as necessary.

Substantially all employees are eligible for termination benefits upon separation from the state. The agency recognizes the cost of providing these benefits as expenditures when paid during the year. For **FY**_______, the cost of providing those benefits for _____ (number of) voluntary terminations totaled $_________. For **FY** ______, the cost of providing those benefits for _____ (number of) involuntary terminations totaled $_________.

[The termination benefits (voluntary and involuntary) paid in **FY 2010** should also be included in the Statement of Revenues, Expenses, and Changes in Fund Net Assets on the account line "Administrative" in the Operating Expense Section.]

The liability for the accrued voluntary terminations benefits payable at June 30, _____ is $________. This liability consists of ________ (number of) voluntary terminations. The liability for the accrued involuntary terminations benefits payable at June 30, ______ is $________. This liability consists of ________ (number of) involuntary terminations.

[The termination benefits (voluntary and involuntary) payable at fiscal year end should also be included on the Balance Sheet in the "compensated absences payable" account line.]

If a termination benefit is not recognized because the expected benefits are not estimable, the employer should disclose that fact. Briefly describe termination benefits provided to employees as discussed above. If none, please state that fact.

A terminated employee can continue to access health benefits, however, if the COBRA participant is paying the ENTIRE premium then there is no state contribution on behalf of this individual. Therefore, when a terminated employee pays 100% of the premium, the state would <u>not</u> have a termination liability.

EE. POLLUTION REMEDIATION OBLIGATIONS (NOT APPLICABLE)

Pollution remediation costs (or revenue) should be reported in the statement of activities and statement of revenues, expenses, and changes in fund net assets, if appropriate, as a program or operating expense (or revenue), special item, or extraordinary item in accordance with the guidance in Statement 34.

Disclosures:

For recognized pollution remediation liabilities and recoveries of pollution remediation outlays, governments should disclose the following:

a. The nature and source of pollution remediation obligations (for example, federal, state, or local laws or regulations)
b. The amount of the estimated liability (if not apparent from the financial statements), the methods and assumptions used for the estimate, and the potential for changes due to, for example, price increases or reductions, technology, or applicable laws or regulations
c. Estimated recoveries reducing the liability.

For pollution remediation liabilities, or portions thereof, that are not yet recognized because they are not reasonably estimable, governments should disclose a general description of the nature of the pollution remediation activities.

See OSRAP memo 09-24, <u>http://www.doa.la.gov/osrap/sagasb49.htm</u> for more information on measuring pollution remediation liabilities.

SAMPLE disclosure: (This is a sample disclosure. Adapt as necessary to fit your specific agency.)

At fiscal year end, ___________________(BTA) was a responsible party or potential responsible party in the remediation of ___________________ (friable asbestos, polluted ground water, removal of leaking underground fuel storage tanks, removal of lead-based paint, diesel spill cleanup, removal and replacement of contaminated soil, oversight and enforcement-related activities, post-remediation monitoring, etc.) on __________________agency's/entity's property. A possible explanation for this is ________________________. Further investigation to determine the full nature and extent of this contamination and required remediation has lead to a potential liability of $____________. The ____________________ (agency) paid $_________ in remediation costs for fiscal year 2010 and is reporting a balance of $______________ for the liability. At this time the complete cost for remediation is unable to be estimated as a result of future remediation contracts, inflation, and the amount of time involved. As these costs become estimable and costs incurred, the liability will be adjusted.

The following worksheet is provided to assist in completing required note disclosure and in determining the agency's pollution remediation activities, current year expenses, adjustments to pollution remediation obligations, and the amount of the year end liability.

FF. AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA) (NOT APPLICABLE)

Provide your entity's ARRA revenue received in FY 2010 on a full accrual basis:

____

____

Provide your entity's ARRA expenses in FY 2010 on a full accrual basis:

____

____

STATE OF LOUISIANA
LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS
SCHEDULE OF PER DIEM PAID TO BOARD MEMBERS
JUNE 30, 2010
(Fiscal close)

Name		Amount
Mike Cavanaugh	$	250
Kim Hardy		150
Wynn Harvey		200
Mark Kruse		250
Ned Martello		250
R. Buckey Vanbreemen		200
Joe Zeagler		250
Total	$	1,550

Note: The per diem payments are authorized by Louisiana Revised Statute, and are presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Legislature.

SCHEDULE 1

STATE OF LOUISIANA

LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS

COMPARISON FIGURES

To assist OSRAP in determining the reason for the change in financial position for the State, please complete the schedule below. If the change is greater than **$3 million**, explain the reason for the change.

	2010	2009	Difference	Percentage Change
1) Revenues	$ 223,124	$ 225,139	$ (2,016)	$ (0.9%)
Expenses	248,590	223,903	(24,687)	(11.0%)
2) Capital assets	2,522	1,425	1,097	77.0%
Long-term debt	99,710	67,176	32,534	48.4%
Net Assets	152,092	177,558	(25,466)	(14.3%)

Explanation for change: ______________________________

SCHEDULE 15

Schedule of Findings and Management Corrective Action Plan

June 30, 2010

Finding 2010-1:

Criteria:
Management is responsible for developing internal controls related to the preparation of financial statements as well as preparing financial statements in accordance with accounting principles generally accepted in the United States of America.

Condition & Cause:
As is common in small organizations, management has chosen to engage the auditor to propose certain year-end adjusting entries and to prepare the Board's annual financial statements. This condition is intentional by management based upon the cost effectiveness of acquiring the ability to prepare financial statements in accordance with generally accepted accounting principles. Consistent with this decision, internal controls over the preparation of year-end adjusting entries and annual financial statements, complete with notes, in accordance with generally accepted accounting principles, have not been established. Under generally accepted auditing standards, this condition represents a significant deficiency in internal controls. Statement on Auditing Standards (SAS) 115 requires that we report the above condition as a control deficiency. The SAS does not provide exceptions to reporting deficiencies that are adequately mitigated with nonaudit services rendered by the auditor or deficiencies for which the remedy would be cost prohibitive or otherwise impractical.

Recommendation:
As mentioned above, whether or not it would be cost effective to cure a control deficiency is not a factor in applying SAS 115's reporting requirements. Because prudent management requires that the potential benefit from an internal control must exceed its cost, it may not be practical to correct all the deficiencies an auditor reports under SAS 115. In this case we do not believe that curing the significant deficiency described above would be cost effective or practical and accordingly do not believe any corrective action is necessary.

Management Corrective Action Plan:
In response to the finding, management feels that it is a prudent use of funds to engage the auditor to prepare the Board's annual financial reports. We therefore agree with the auditors' recommendation that no correction action is necessary.

LOUISIANA BOARD OF CHIROPRACTIC EXAMINERS
STATE OF LOUISIANA

Status of Prior Audit Findings

June 30, 2010

Finding 2009-1:

Criteria:
Management is responsible for developing internal controls related to the preparation of financial statements as well as preparing financial statements in accordance with accounting principles generally accepted in the United States of America.

Condition & Cause:
As is common in small organizations, management has chosen to engage the auditor to propose certain year-end adjusting entries and to prepare the Board's annual financial statements. This condition is intentional by management based upon the cost effectiveness of acquiring the ability to prepare financial statements in accordance with generally accepted accounting principles. Consistent with this decision, internal controls over the preparation of year-end adjusting entries and annual financial statements, complete with notes, in accordance with generally accepted accounting principles, have not been established. Under generally accepted auditing standards, this condition represents a significant deficiency in internal controls. Recently issued Statement on Auditing Standards (SAS) 112 requires that we report the above condition as a control deficiency. The SAS does not provide exceptions to reporting deficiencies that are adequately mitigated with nonaudit services rendered by the auditor or deficiencies for which the remedy would be cost prohibitive or otherwise impractical.

Recommendation:
As mentioned above, whether or not it would be cost effective to cure a control deficiency is not a factor in applying SAS 112's reporting requirements. Because prudent management requires that the potential benefit from an internal control must exceed its cost, it may not be practical to correct all the deficiencies an auditor reports under SAS 112. In this case we do not believe that curing the significant deficiency described above would be cost effective or practical and accordingly do not believe any corrective action is necessary.

Management Corrective Action:
In response to the finding, management feels that it is a prudent use of funds to engage the auditor to prepare the Board's annual financial reports. We therefore agree with the auditors' recommendation that no correction action is necessary.

GRIFFIN & COMPANY, LLC
CERTIFIED PUBLIC ACCOUNTANTS

Stephen M. Griffin, CPA
Robert J. Furman, CPA

INDEPENDENT ACCOUNTANTS' REPORT
ON APPLYING AGREED-UPON PROCEDURES

Board of Directors
Louisiana State Board of Chiropractic Examiners
State of Louisiana
Baton Rouge, Louisiana

We have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the management of the Louisiana Board of Chiropractic Examiners (the "Board") and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Board's compliance with certain laws and regulations for the twelve months ending June 30, 2010, included in the accompanying Louisiana Attestation Questionnaire. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. **Select all expenditures made during the year for material and supplies exceeding $30,000, or public works exceeding $150,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).**

   The Board did not have any expenditure for materials & supplies or public works that fell under the provisions of the public bid law.

Code of Ethics for Public Officials and Public Employees

2. **Obtain from management a list of the immediate family members of each Board Member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all Board Members and employees, as well as their immediate families.**

   Management provided us with the required list.

3. **Obtain from management a listing of all employees paid during the period under examination.**

   Management provided us with the required list.

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WWW.GRIFFINANDCO.COM

4. **Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.**

None of the employees included on the list of employees provided by management in procedure 3 appeared on the listing provided by management in procedure 2.

Budgeting

5. **Obtain a copy of the legally adopted budget and all amendments, if applicable.**

A copy of the legally adopted budget was obtained from the Board.

6. **Trace the budget adoption and amendments to the minute book.**

The budget adoption was traced to the minute book. There were no amendments to the budget.

7. **Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5% or more if actual expenditures exceeded budgeted amounts by 5% or more.**

Actual revenues did not fail to meet budgeted revenues by 5% or more. Actual expenditures did not exceed budgeted amounts by 5% or more.

Accounting and Reporting

8. **Randomly select six disbursements made during the period under examination and:**

(a) Trace payments to supporting documentation as to proper amount and payee;

All payments were traced to supporting documentation without exception.

(b) Determine if payments were properly coded to the correct fund and general ledger amount;

All payments were properly coded to the correct fund and general ledger account without exception.

(c) Determine whether payments received approval from proper authorities.

All payments received approval from proper authorities.

Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law).

   Based on information obtained from management, all agendas for meetings recorded in the minute book were posted as required.

Advances and Bonuses

10. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

   Payroll records and minutes for the period were reviewed noting no payments to employees that may constitute bonuses, advances, or gifts.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures other matters might have come to our attention that would have been reported to you

This report is intended solely for use of management of the Louisiana Board of Chiropractic Examiners, State of Louisiana and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Griffin & Company, LLC

August 9, 2010

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)

_______________ (Date Transmitted)

Griffin & Company, LLC
P.O. Box 983
Mandeville, LA 70470
ATTN: Robert J. Furman (Auditors)

In connection with your review of our financial statements as of [date] and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations. 07-01-09 to 06-30-10

These representations are based on the information available to us as of (*date of completion/representations*).

Public Bid Law

It is true that we have complied with the public bid law, R.S. Title 38:2211-2296, and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.

Yes [✓] No [ ]

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of R.S. 42:1101-1124.

Yes [✓] No [ ]

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of R.S. 42:1119.

Yes [✓] No [ ]

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (R.S. 39:1301-16), R.S. 39:33, or the budget requirements of R.S. 39:1331-1342, as applicable.

Yes [XX] No [ ]

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by R.S. 44:1, 44:7, 44:31, and 44:36.

Yes [xx] No [ ]

We have filed our annual financial statements in accordance with R.S. 24:514, and 33:463 where applicable.

Yes [XX] No [ ]

We have had our financial statements reviewed in accordance with R.S. 24:513.

Yes [xx] No [ ]

Meetings

We have complied with the provisions of the Open Meetings Law, provided in R. S. 42:1 through 42:13.

Yes [✓] No [ ]

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and R.S. 39:1410.60-1410.65.

Yes [✓] No [ ]

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, R.S. 14:138, and AG opinion 79-729.

Yes [✓] No [ ]

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance that may occur subsequent to the issuance of your report.

______________________ Vice President ______________

Date

7/5/10 ______________________ Secretary-Treasurer ______________

Date

______________________ President ______________

Date

Meetings

We have complied with the provisions of the Open Meetings Law, provided in R. S. 42:1 through 42:13.

Yes [✓] No [ ]

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We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance that may occur subsequent to the issuance of your report.

_______________ Vice President _______________
_Date

_______________ Secretary-Treasurer _______________
_Date

6-28-10 Michael R Cavanaugh, D.C. President
Date

Meetings

We have complied with the provisions of the Open Meetings Law, provided in R. S. 42:1 through 42:13.

Yes [✓] No [ ]

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and R.S. 39:1410.60-1410.65.

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_______________ Vice President 7-7-10
Date

_______________ Secretary-Treasurer _______________
Date

_______________ President _______________
Date